

\$1.75

# Current History

A WORLD AFFAIRS MONTHLY

APRIL, 1978

RECEIVED

APR 7 1978

## EAST EUROPE, 1978

SOVIET RELATIONS WITH EAST EUROPE .....	Richard F. Staar	145
UNITED STATES POLICY IN EAST EUROPE .....	Arthur R. Rachwald	150
YUGOSLAVIA AND TITO: THE LONG FAREWELL .....	Thomas F. Magner	154
GERMANY: FACING THE BRINK .....	Jan B. de Weydenthal	159
CZECHOSLOVAKIA AFTER HELSINKI .....	Edward Taborsky	164
HUNGARY: THE POLITICS OF AUTONOMY .....	Robert L. Farlow	168
GERMAN DEMOCRATIC REPUBLIC .....	Arthur M. Hanhardt, Jr.	172
NETHERLANDS: THE CROWN AND THE CROWD .....	Ivan Volgyes	176
REVIEWS • <i>On East Europe</i> .....		180
MONTH IN REVIEW .....		187
East Europe .....	Inside Back Cover	

CLEELIB  
CALIF LUTHERAN COLLEGE  
LIBRARY  
THOUSAND OAKS CA 91360  
C9 EB 001 C DEC78

# Current History

FOUNDED IN 1914

APRIL, 1978  
VOLUME 74 NUMBER 436

Property of  
AMBASSADOR COLLEGE LIBRARY  
Big Sandy, Texas

## Editor:

CAROL L. THOMPSON

## Assistant Editors:

MARY M. ANDERBERG  
JOAN B. ANTELL  
VIRGINIA C. KNIGHT

## Contributing Editors:

ROSS N. BERKES  
University of Southern California  
RICHARD BUTWELL  
State University of New York  
O. EDMUND CLUBB  
U.S. Foreign Service Officer (retired)  
HANS W. GATZKE  
Yale University  
MARSHALL I. GOLDMAN  
Wellesley College  
NORMAN A. GRAEBNER  
University of Virginia  
OSCAR HANDLIN  
Harvard University  
STEPHEN D. KERTESZ  
University of Notre Dame  
RICHARD H. LEACH  
Duke University  
NORMAN D. PALMER  
University of Pennsylvania  
JOHN P. ROCHE  
Fletcher School of Law and Diplomacy  
A. L. ROWSE  
All Souls College, Oxford  
ALVIN Z. RUBINSTEIN  
University of Pennsylvania  
FREDERICK L. SCHUMAN  
Portland State University, Emeritus  
RICHARD VAN ALSTYNE  
University of the Pacific  
COLSTON E. WARNE  
Amherst College, Emeritus  
ARTHUR P. WHITAKER  
University of Pennsylvania, Emeritus

President and Publisher:  
DANIEL G. REDMOND, JR.

Vice President:  
ELBERT P. THOMPSON

Published monthly (combined issues May/June and July/August) by Current History, Inc., 4225 Main Street, Philadelphia, Pa. 19127. Second class postage paid at Phila., Pa., and additional mailing offices. Indexed in *The Reader's Guide to Periodical Literature*. Individual copies may be secured by writing to the publication office. No responsibility is assumed for the return of unsolicited manuscripts. Copyright ©1978, by Current History, Inc. Publication no. 140440.

## Coming Soon

### AMERICA'S ENERGY RESOURCES: AN OVERVIEW

What are the major energy resources of the United States today? What roles are played by the oil companies, the coal and gas industries and the public utilities? What is the role of the consumer? The federal government? In our May/June issue, seven articles will explore:

#### The U.S. Oil Industry Today

by ROBERT W. RYCROFT, Princeton University

#### The U.S. Coal Industry and Coal Reserves

by RICHARD NEWCOMB, West Virginia University

#### Natural Gas in the U.S.

by ROBERT SPANN, Virginia Polytechnic Institute

#### The International Oil Companies

by RICHARD BISSELL, Temple University

#### Electricity and the Public Utilities

by MARTIN BAUGHMAN, University of Texas

#### The Role of the Private Consumer

by DOROTHEA EL MALLAKH, *Journal of Energy and Development*

#### The Federal Government's Role

by ERNST HAVITCH, Environmental Defense Fund

#### Also in this symposium

#### THE WORLD ENERGY CRISIS

March, 1978

#### AMERICA'S ENERGY POLICY TOMORROW

July/August, 1978

**HIGH SCHOOL DEBATERS:** Note these 3 issues on the 1978-1979 NUEA debate topic. These 3 issues, plus a debate guide, are available at \$3.95 a set.

\$1.75 a copy • \$14.50 a year

Canada \$15.50 a year • Foreign \$16.00 a year  
Please see back cover for quantity purchase rates.

**NO ADVERTISING**

# Current History

APRIL, 1978

VOL. 74, NO. 436

*The nations of East Europe are gradually assuming a more independent stance; in this issue, specialists examine political and economic trends in six East European nations and the policies of the Soviet Union and the United States in that area. Soviet influence is still overpowering; as our introductory article points out: "Not only do . . . Soviet troops [in East Europe] face the central front of NATO, which they outnumber in all categories except tactical nuclear warheads, but they form a police force in constant readiness to crush an uprising or any movement toward unsanctioned change."*

## Soviet Relations with East Europe

BY RICHARD F. STAAR

*Associate Director, Hoover Institution on War, Revolution and Peace*

SEVERAL important developments, recently forced on the Soviet bloc by external pressures of a politico-economic nature, seem to augur possibilities for change.<sup>1</sup> Symbolizing the opposition to such trends, of course, are the 32 Soviet divisions in the four European states closest to the West both in geographic terms and in cultural heritage. Less than ten years ago, the Soviet Union invaded Czechoslovakia, whose Communist rulers had been trying to liberalize domestic conditions. This invasion will be remembered for some time, and it obviously places constraints on change throughout the area.

Except for Albania, which formally withdrew from the bloc after the August, 1968, invasion of Czechoslovakia, and Yugoslavia, which never joined, all the states

<sup>1</sup>For earlier developments, see Roger E. Kanet and Donna Bahry, "Soviet Policy in East Europe," *Current History*, vol. 71, no. 50 (October, 1975), pp. 126-128.

<sup>2</sup>U.S. Central Intelligence Agency, *Directory of USSR Ministry of Defense and Armed Forces Officials* (Washington, D.C., September, 1977), pp. 27-31; see also insert from *Voennye znaniya* [Military Knowledge], (Moscow), no. 5, May, 1977, for a current listing of names and responsibilities.

<sup>3</sup>A 20-mile ring around Berlin holds 95,000 Soviet and East German troops with 1,300 tanks, including more than 200 of the latest T-72's, a brigade of tactical nuclear missiles and more than 300 heavy artillery guns, in addition to normal anti-personnel weapons. A Central Border Command of 14,000 troops is responsible for the wall between the two Berlins and has opened fire more than 1,500 times at escapees, according to the *Daily Telegraph* (London), March 30, 1977.

in East Europe belong to the Warsaw Treaty Organization (WTO), established in May, 1955. Its current commanding officer is former Soviet chief of staff and marshal of the Soviet Union Victor G. Kulikov. His deputies are the defense ministers of the allied East European military establishments. WTO ground forces, navies, air forces and air defense all have Soviet commanders.<sup>2</sup>

Soviet troops garrisoned throughout East Europe include the Northern Group, with headquarters at Legnica, Poland; the Southern Group at Tököl, Hungary; the Central Group at Milovice, Czechoslovakia; and the Group of Soviet Forces in [East] Germany at Zossen-Wünsdorf, near East Berlin. An approximate one-to-one ratio of armored to motorized rifle divisions among the Soviet units shows a considerably heavier concentration of firepower than prevails for most of the indigenous East European divisions (see Table 1). In other respects, also, the client states are not provided with the newest weapons systems.

Not only do these Soviet troops face the central front of NATO, which they outnumber in all categories except tactical nuclear warheads, but they form a police force in constant readiness to crush an uprising or any movement toward unsanctioned change.<sup>3</sup> East European leaders understand these facts of life, and the more independent among them maneuver within parameters that became well defined during the traumatic experiences of Hungary in 1956 and Czechoslovakia in

TABLE 1: Warsaw Pact Armed Forces, 1978

Country	Ground Forces Personnel	Divisions <sup>1</sup>	Tanks	Security Forces Personnel	Navy Personnel	C <sup>2</sup>	D <sup>3</sup>	S <sup>4</sup>	Air Force Personnel	Air- craft <sup>5</sup>
Bulgaria	115,000	8 (5) <sup>6</sup>	1,900	12,000	8,500	—	2	4	25,000	305
Czechoslovakia	135,000	10 (5)	3,400	—	—	—	—	—	46,000	780
Soviet	70,000	5 (2)	1,800	—	—	—	—	—	—	—
East Germany	105,000	6 (2)	3,000	25,000	16,000	—	2	—	36,000	461
Soviet	370,000	20 (10)	7,500	—	(80,000) <sup>7</sup>	(4)	(25)	(75)	—	1,100
Hungary	83,000	6 (1)	1,100	—	—	—	—	—	20,000	291
Soviet	60,000	4 (2)	1,500	—	—	—	—	—	—	350
Poland	220,000	15 (5)	3,800	58,000	25,000	—	1	4	62,000	1,025
Soviet	38,000	3 (3)	700	—	—	—	—	—	—	350
Romania	140,000	10 (2)	1,500	20,000	10,000	—	—	—	30,000	423
					(50,000) <sup>8</sup>	(3)	(20)	(40)		
	1,336,000	87 (37)	26,200	115,000	189,500	7	50	123	219,000	5,085

Notes: <sup>1</sup>Armored divisions, included in total, are indicated in parentheses. <sup>2</sup>Cruisers. <sup>3</sup>Destroyers. <sup>4</sup>Submarines. <sup>5</sup>Combat aircraft. <sup>6</sup>Figures in parentheses refer to Bulgarian tank brigades, not divisions. <sup>7</sup>Soviet Baltic Sea fleet, estimated allocation. <sup>8</sup>Soviet Black Sea fleet, estimated allocation.

Sources: John Erickson, *Soviet-Warsaw Pact Force Levels* (Washington, D.C., 1976), p. 88; International Institute for Strategic Studies, *The Military Balance, 1977-1978* (London, September, 1977), pp. 12-15.

1968. Their representatives support all Soviet foreign policy initiatives, except that Romania deviates from the Moscow line on the Middle East. Romania has also deviated slightly on other matters.

At its most recent 15th session<sup>4</sup> in Bucharest, the WTO political consultative committee unanimously adopted Soviet proposals to NATO for a treaty on no-first-use of nuclear weapons and a freeze on the number of members in their respective military alliances. Such diplomatic moves presumably are cleared each year during a period of three weeks in July and August, when Soviet President Leonid Brezhnev meets individually with each of his East European viceroys at Oreanda in the Crimea.<sup>5</sup> The subjects discussed are never made public, but subsequent moves appear to have been orchestrated in advance.

Operational aspects of WTO manifest themselves in periodic meetings of its military council. A recent gathering took place during October 17-20, 1977, at Sofia. It "discussed issues of current activity by the joint armed forces and adopted appropriate [unspecified] recommendations." WTO defense ministers also

convene separately about twice a year, and their communiqués are just as informative.<sup>6</sup>

In addition, annual maneuvers test the combat readiness of WTO members. The territories of Czechoslovakia and Hungary were used during March 21-29, 1977, for war games code named "Soyuz [Alliance]—77." A naval exercise followed in the Baltic Sea; war ships of East Germany, Poland and the Soviet Union participated.<sup>7</sup>

The Soviet Union alone held much larger maneuvers, called "Karpaty," in its Carpathian military district, with observers from all six WTO members and Yugoslavia. Simulated combat between "southerners" and "northerners" involved 27,000 troops, supported by air strikes, amphibious tanks, armored personnel carriers, and helicopters. According to interviews with observers,<sup>8</sup> the high intensity firepower impressed all East European allies.

Members of the Warsaw Pact are not only bound by the 1955 multilateral treaty, which automatically extended itself after 20 years, but are also linked to one another via bilateral agreements. Some of these have expired and are being renewed, e.g., East Germany with Poland, Hungary and Bulgaria.<sup>9</sup> Even if both NATO and WTO were to be dissolved, as the Soviet Union has proposed on numerous occasions, this interconnected bilateral military alliance system would bind the East European states to the Soviet Union.

## ECONOMIC INTEGRATION

Established in 1949, i.e., six years before the military alliance system, the Council for Mutual Economic Assistance (CMEA) remained almost dormant until the mid-1950's. CMEA lost one member when Albania refused to participate after December, 1961; but it

<sup>4</sup>Moscow radio, November 28, 1976, broadcast the communiqué.

<sup>5</sup>Frane Barbieri, "I vassalli da Breznev," *La Nazione* (Florence), August 21, 1977.

<sup>6</sup>Sofia radio, October 20, 1977; *Krasnaya zvezda* [Red Star] (Moscow), November 30, 1977.

<sup>7</sup>Moscow radio, March 29, 1977; *Krasnaya zvezda*, July 10, 1977.

<sup>8</sup>Moscow radio, July 12 through 16, 1977. See also Congressional Budget Office, *Assessing the NATO/Warsaw Pact Military Balance* (Washington, D.C.: Government Printing Office, December, 1977), p. 63.

<sup>9</sup>Moscow radio, May 31, 1977; *Neues Deutschland* (East Berlin), June 17, 1977; East Berlin radio, July 14, 1977.



TABLE 2: Selected CMEA Indicators, 1976

Product	Total CMEA output	USSR output	USSR percent of total	Exported by USSR to East Europe (1975)
	million tons			
Oil (crude)	541.0	521.0	96.3	67.70
Iron ore	247.8	239.0	96.4	38.16
Pig iron	136.1	105.8	77.1	4.11
Steel (crude)	199.0	145.0	72.9	0.65
Coal	1,364.0	712.0	52.2	16.20
Grain	301.0	223.5	74.3	2.32
Cement	182.2	124.0	68.1	1.99
	billion KWH			
Electricity	1,475.0	1,111.0	75.3	n.a.
	billion cubic feet			
Natural gas	13,146.0	11,336.0	86.2	n.a.

Sources: Ministerstvo Vneshnei Torgovli, *Vneshnyaya torgovlya SSSR v 1975 g.* [Foreign Trade of the USSR in 1975] (Moscow, 1976), pp. 68-69, 71, 73, 79-80, 85; Moscow radio, July 4, 1976; *Petroleum Economist* (July, 1976), p. 206; CIA, *Handbook of Economic Statistics* (Washington, D.C., September, 1977), pp. 19, 26-27, 54, 83.

gained an associate in Yugoslavia (1965) as well as two full non-European members: Mongolia in 1962 and Cuba in 1972.

Several joint projects that have been completed appear to benefit most bloc states. The *Druzhba* (Friendship) petroleum pipeline has an annual capacity of 105 million tons, although the Soviet Union exported only 70 million tons to East Europe in 1976 and plans to export the same amount in 1980.<sup>10</sup> The pipeline extends some 1,900 miles from Kuybyshev through Mozyr to Plock in Poland and then to Schwedt in East Germany. A branch runs southwest through Brody and Uzhgorod to Bratislava in Czechoslovakia and to Szaszhalmobatta in Hungary.

The *Bratstvo* [Brotherhood] natural gas pipeline that is being expanded through addition of a new Soyuz [Alliance] line from Orenburg to Uzhgorod is more limited. By the end of 1978, the system should be capable of supplying all of East Europe except Yugoslavia and Albania. The *Mir* [Peace] electric power grid connects the Western Ukraine, specifically the city of Kiev,

<sup>10</sup>*Krasnaya zvezda*, July 16, 1976; *Financial Times* (London), August 2, 1977.

<sup>11</sup>Moscow radio, September 20, 1976; and December 3, 1977. The total capacity of nuclear power plants within the CMEA area has grown to 9,000 megawatts. *Ibid.*, December 3, 1977.

<sup>12</sup>*Ekonomicheskaya gazeta* [Economic Gazette] (Moscow), August 2, 1976, and October 24, 1977.

<sup>13</sup>*Izvestiya* [News] (Moscow), July 10, 1976, published the communiqué.

<sup>14</sup>*The Washington Post*, October 15, 1977.

<sup>15</sup>*The Economist* (London), October 29, 1977.

with East Europe, and about 80 billion KW hours of electricity were reportedly exchanged during the 1971-1975 planning period. In 1977 alone, this amount reportedly increased to 25 billion KW hours.<sup>11</sup>

A venture called Intermetal that attempts to emulate West Europe's highly successful coal and steel community has the task of modernizing CMEA steel industries and reducing production and delivery time. An International Bank for Economic Cooperation settles commercial accounts among member states, largely on a bilateral basis, and extends credit. An International Investment Bank also provides loans for specific development projects, e.g., the exploitation of natural gas deposits at Orenburg and the construction of a new pipeline to Uzhgorod.<sup>12</sup>

Moscow probably believes that economic ties are sufficient to keep CMEA viable. Intrabloc trade, which totaled 79 billion rubles in 1976, accounts for anywhere between 41 percent (Romania) and 80 percent (Bulgaria) of each individual member state's annual trade. Most East European countries rely on the Soviet Union for basic industrial materials, including iron ore and coking coal for their steel plants and petroleum as well as natural gas. (See Table 2.)

Probably because of this dependence, bloc representatives at the 30th CMEA council session in East Berlin<sup>13</sup> unanimously agreed to supply between nine billion and ten billion rubles in labor and materials during 1976-1980 for construction of the gas pipeline from Orenburg, a pulp factory at Ust-Ilimsk, an asbestos mining and enrichment complex at Kiyembayevskiy, a new 750-KW electric power line from Vinnitsa to Albertisa in Hungary, a nickel processing factory in Cuba, and an isoprene rubber manufacturing plant in Romania. All except the last two of these projects are on Soviet territory or contiguous thereto.

## SOVIET PRICE INCREASES

The Soviet Union has also been raising prices each year since the beginning of 1975 (the increase during 1977 was 200 percent) for its raw materials exported to East Europe; thus they may reach world market levels in the near future. This is especially true of petroleum. In addition to facing these higher intrabloc prices, the East European states already owed the West some \$47 billion (three-fourths to private banks) at the end of 1976. The cost of repaying principal and interest will grow significantly during 1978-1981, especially if predictions of a total \$70 billion to \$90 billion debt materialize by the end of 1980.<sup>14</sup>

Except for Romania, none of the CMEA states can turn to the International Monetary Fund (IMF) for financial help and advice, because they are not members. Poland and Hungary probably would like to join IMF, but the Soviet Union has apparently thus far interposed its veto.<sup>15</sup> Should West European and United States banks begin to question CMEA creditworthiness,

member states may attempt to lease equipment and utilize "compensation" contracts with repayment of loans in raw materials.

Another possible solution for the CMEA would be a closer relationship to the European Economic Community (EEC). After two years of preliminary talks, the EEC has decided to open serious negotiations on a co-operative agreement during 1978. One CMEA proposal envisages joint recommendations that would be ratified bilaterally and voluntarily on a country-to-country basis. The EEC does not appear interested in such a vague arrangement.<sup>16</sup>

### INTER-PARTY RELATIONS

As far as the Soviet Union is concerned, there is no distinction between government and party in relations with client regimes in East Europe. When the latter encountered economic difficulties in and after 1975, the U.S.S.R. decided to tighten ideological controls. One attempt to obtain a unity declaration (that could be used later) was the June, 1976, meeting of 28 Communist party leaders from both East and West Europe in East Berlin. Seven delegations, including the Yugoslavs and Romanians along with several West European parties, opposed Soviet attempts to reestablish hegemony. The final document was vague and definitely not binding. The omission of the term "proletarian internationalism" (code words for submission to the Soviet party) and Brezhnev's personal assurance at this conference that all Communist parties are independent<sup>17</sup> did not prevent the Soviet Union from continuing to use such hegemonistic terminology or from stepping up the ideological offensive against Eurocommunism.

In order to keep the Polish regime afloat and reward its loyalty, Moscow subsequently gave Warsaw a low-interest loan equivalent to about \$1.3 billion and promised an increase of grain deliveries (to alleviate the food shortages that had triggered riots during the summer), raw materials, and consumer goods.<sup>18</sup> That same

month, Brezhnev also visited Bucharest, where a WTO political consultative committee meeting was subsequently held. However, his stay in Belgrade did not result in military base rights or in closer relations between WTO and Yugoslavia. Tito is reported to have rejected these demands categorically.<sup>19</sup>

Although there had been disagreements at the 1976 all-European conference of Communist and workers' parties in East Berlin, the bloc lined up behind Moscow at preparatory and subsequent formal meetings to review the administration of provisions of the Helsinki Conference on Security and Cooperation in Europe. The substantive discussions opened in Belgrade on October 4, 1977, and continued after the Christmas recess into 1978. During that time the Soviet Union and its allies, including the Romanians,<sup>20</sup> defended their human rights record.

The Helsinki document of August 1, 1975, was publicized extensively in the official press of the Soviet Union and East Europe. It commits signatory governments to respect human rights as well as individual freedoms. Within one year, more than 100,000 futile applications for exit permits were reportedly filed with East German authorities. In September, 1976, a Committee for the Defense of [Polish] Workers imprisoned after the food riots had emerged, and by November, 1977, a new Public Self-Defense Committee established branches in cities other than Warsaw. The "Charter 77" document,<sup>21</sup> signed by more than 700 Czechoslovak citizens through the end of 1977, petitioned the regime to uphold the rights promised by their constitution. In reaction, the authorities in all these states emulated the Soviet example of police harassment, arrest and occasional expulsion from the country.

The Soviet response to this ferment began with a meeting of bloc secretaries in charge of ideology on March 3, 1977, at Sofia in Bulgaria, a country comparatively untouched by "contamination"<sup>22</sup> from the outside. Less than two weeks later, the Soviet secretary in charge of relations with other ruling parties, Konstantin F. Katushev, was made a Deputy Premier (CMEA representative) and replaced by a Brezhnev protégé, Konstantin V. Rusakov. This apparently signaled an effort toward tighter ideological integration with the bloc under the old slogan of "proletarian internationalism."

In the case of Bulgaria, overt dissidence is practically nonexistent.<sup>23</sup> However, former high-ranking Communist party members in Czechoslovakia have already released a new declaration that in effect supersedes "Charter 77" by asking for even broader civil liberties. Several of the more prominent petitioners have already received prison sentences; some were evicted from Prague and forced to live in the provinces; and others remain under virtual house arrest.<sup>24</sup>

The East German regime allows very few citizens, except pensioners, to emigrate legally, and Western

<sup>16</sup> *The Christian Science Monitor*, September 28, 1977.

<sup>17</sup> See the analysis by Milorad M. Drachkovitch, "Conference of Communist and Workers' Parties of Europe," *1977 Yearbook on International Communist Affairs* (Stanford, California, 1977), pp. 571-581.

<sup>18</sup> *The Washington Post*, November 20, 1976.

<sup>19</sup> ANSA despatch from Belgrade over Rome radio, January 7, 1977; *The New York Times*, January 9, 1977.

<sup>20</sup> *Scinteia* (Bucharest), November 19, 1977.

<sup>21</sup> Text in *The New Leader*, January 31, 1977. A new appeal to mark the anniversary of "Charter 77" demands freedom for all political detainees, according to *The Washington Post*, January 7, 1978.

<sup>22</sup> Charles Andras, "The Soviet Union and Eastern Europe," *Radio Liberty Research* (Munich), no. 281/77, December 9, 1977, p. 7.

<sup>23</sup> *The Washington Post*, January 1, 1978.

<sup>24</sup> *The New York Times*, December 19, 1977, and January 11, 1978. The new document appeals for an open dialogue "in appropriate places—not in prison cells."

TABLE 3: East Europe's Communist Leaders, 1978

Country	Leader's name and party position	Year of birth	Father's occupation	Joined Communist party	Profession	Years in jail	Spent Second World War	Years in Russia	Government post	Became member of party Politburo
Albania	Hoxha, Enver First Secretary, 1941-	1908	Small landholder	1941	Teacher	1939 (briefly)	Albania	None	None	1941
Bulgaria	Zhivkov, Todor First Secretary, 1954-	1911	Peasant	1932	Printer	None	Bulgaria	1936-41?	Chairman, State Council	951
Czechoslovakia	Husák, Gustav First Secretary, 1969-	1913	Poor peasant	1933	Lawyer's assistant	1951-60	Czechoslovakia	None	President	1968
East Germany	Honecker, Erich First Secretary, 1971-	1912	Coal miner	1929	Roof tiler	1935-45	Germany	1930-31; 1956-57	Chairman, State Council	1950
Hungary	Kadar, Janos First Secretary, 1956-	1914	Peasant	1932	None	1933-35; 1951-54	Hungary	None	Member Presidential Council	1956
Poland	Gierek, Edward First Secretary, 1970-	1913	Coal miner	1931	Coal miner	1934 (briefly)	Belgium	None	Member Council of State	1956
Romania	Ceausescu, Nicolae Secretary-General, 1965-	1918	Poor peasant	1936	None	1936-39; 1940-44	Romania	None	Chairman, Council of State; President	1954
Yugoslavia	Tito, Josip Broz Secretary-General, 1937-1966; President, 1966-	1892	Peasant	1920	Metal-worker	1915-17; 1928-34	Yugoslavia	1915-20; 1934-36	President	1934

Sources: RFE, *Eastern Europe's Communist Leaders*, 5 vols. (Munich, 1966), with 1978 identifications from the press; *Krasnaya zvezda*, April 19, 1969; *Figyelo*, October 14, 1970; *Pravda*, November 3, 1970; Sofia radio, November 4, 1970; Prague radio, November 5, 1970; *Trybuna ludu*, December 1, 1970; Guenther Buch (comp.), *Namen und Daten* (Berlin, 1973), p. 120; RFE, *Communist Party-Government Line-Up* (Munich, May 31, 1977), pp. 32.

sources estimate that about 6,000 citizens are being held in jail at any one time for political dissent or attempted escape to the West. The Federal Republic of Germany purchases the freedom of about 1,000 of these prisoners each year at the cost of about \$17,000 per head, which is paid in cash or commodities. As if to underline its ideological subservience, East Germany recently awarded its highest decoration (the Order of Karl Marx) to Politburo member and chief Soviet ideologist Mikhail Suslov.<sup>25</sup>

Only Romania has made statements proclaiming "each party's independence and autonomy, full equal rights, noninterference in internal affairs, solidarity, mutual esteem and respect"<sup>26</sup> as the basis for relations with the Soviet Communist movement. Bucharest

apparently helped to bring Israel and Egypt together, when Israeli Prime Minister Menahem Begin visited Romania in late August and Egyptian President Anwar Sadat visited toward the end of October, 1977. It is doubtful that Moscow either gave permission or appreciated this diplomatic initiative. Bucharest is the only bloc capital that maintains an ambassador in Tel Aviv.

(Continued on page 184)

**Richard F. Staar** has edited the last ten volumes of the *Yearbook on International Communist Affairs* (Stanford: Hoover Institution Press, 1969-1978) and *Aspects of Modern Communism* (Columbia: University of South Carolina Press, 1968). He is the author of *Communist Regimes in Eastern Europe* (Stanford: Hoover Institution Press, 1977), 3rd rev. ed., translated into German by Seewald Verlag in Stuttgart, and of *Poland, 1944-1962: The Sovietization of a Captive People* (Baton Rouge: Louisiana State University Press, 1962), reprinted in 1975 by Greenwood Press, Westport, Connecticut. He is currently working on a book dealing with Soviet foreign policy.

<sup>25</sup>Baltimore Sun, November 15, 1977; Moscow radio, November 21, 1977; Los Angeles Times, December 12, 1977.

<sup>26</sup>Bucharest radio, December 1, 1977. See, however, dissident Paul Goma's exposure about persecution and the report on labor strife among miners in Romania. *The Times* (London), November 25, 1977; and *The Washington Post*, November 27, 1977.

---

*"The United States is now in a position to stimulate the evolutionary processes of democratization in East Europe—processes that sooner or later may spill over to affect the Soviet Union itself."*

## United States Policy in East Europe

BY ARTHUR R. RACHWALD

*Lecturer, University of California, Santa Barbara*

SINCE the end of World War II, the United States has proclaimed six distinctly different foreign policies toward the Communist countries of East Europe. Ideologically, the doctrines have ranged from one extreme to the other and everywhere in between—from the defiance of Soviet hegemony to the reinforcement of Soviet dominance over the satellite nations. If a generalization can be made, it is that there has apparently been a lack of decisiveness and a continued lack of purpose as the United States has wandered over the past three decades from one concept to another: "containment," "liberation," "peaceful engagement," "bridge-building," Henry Kissinger's *realpolitik* that culminated in the "Sonnenfeldt doctrine," and current "moralpolitics."

In the late 1960's, there was a continuing upsurge of anti-Soviet feeling in the Communist camp. Czechoslovakia was only the most vivid example. Some other East European nations, fortunately, were more successful in pursuing an independent course of action. Albania, following the example of China, deserted the Kremlin altogether. Romania made it clear that she would probably have done the same if she were not surrounded by the Soviet Union and its satellites. As it was, the Romanian regime took a calculated risk and embarked on a foreign policy geared toward its own rather than Soviet interests.

The tides of individualism sweeping across the nations of East Europe were propelled not primarily by a desire for ideological and political pluralism, but by a demand for economic freedom. East Europeans sought to overhaul their domestic systems to concentrate on supplying consumer goods instead of feeding heavy industry and the military establishment.

Communist parties in Italy, France, and Spain also began to defy the Soviet Union. So-called "Eurocommunism" bore a striking resemblance to Czechoslovakia's movement towards "socialism with a human face." Some fundamental concepts of Soviet orthodoxy were eliminated from the ideology of Eurocommunism—the dictatorship of the proletariat, the primacy of the

Soviet model of development for all Communist countries, and Moscow's leadership.

The new heterogeneous Communist world forced the Soviet Union to adopt a three-tiered approach to foreign Communist parties: strict rules for the satellite countries near the Soviet border, a benevolent attitude toward states beyond its military scope, and a condemnation of the Chinese brand of communism as a military-chauvinistic degeneration. Despite its rhetoric about China, the Soviet Union actually feared the challenge of Eurocommunism far more, because it was the first nontotalitarian form of communism apparently capable of greater success than bolshevism.

The emergence of increasing independence in the Communist bloc presented an opportunity for the West to place relations with East Europe on firmer ground. But ties could not be solidified until the East European nations received assurance of their basic security through Western recognition of postwar boundaries. In turn, the United States did not want to take unilateral action in the face of West German opposition.

The hurdle was finally overcome as Bonn conceded that the task of unifying Germany would have to be left to future generations. In 1972, West Germany and the other members of NATO, including the United States, granted formal recognition to East Germany as an independent state and accepted the Oder-Neisse line as East Germany's border with Poland. The West thus tacitly accepted East Europe as the Soviet Union's dominion and acknowledged that emancipation from Soviet tutelage would be a long process.

In exchange for the West's concessions, the Soviet Union relinquished its claim to West Berlin and granted the West the privilege of forming bilateral relations with each Communist regime still under Soviet control. Almost instantly, the German Federal Republic normalized relations with East Europe, including Poland, Czechoslovakia, and East Germany. Extensive economic exchange followed, and Germany's policy of Ostpolitik was apparently a success.

Taking its cue from Bonn, the administration of



United States President Richard Nixon invited the nations of East Europe to cooperate in technological, monetary, scientific, cultural and other types of exchange. United States-East European relations were pursued within the overall policy of *détente*. This implied that the United States would not seek unilateral strategic advantages over the Soviet Union and that the United States approved the Brezhnev doctrine.\* Accordingly, President Nixon proposed that the governments of East Europe themselves determine the extent and nature of their relations with the United States.<sup>1</sup>

The results of the new United States policy of "real-politik" (realism)—a doctrine that was never officially declared—can be illustrated by looking at its impact on three countries: Yugoslavia, Romania, and Poland.

The United States and the other members of the North Atlantic Treaty Organization (NATO) considered self-assertive Yugoslavia almost an ally of the West. Yugoslavia's continued independence was regarded as a matter of crucial importance, because the country served as a buffer zone protecting the Mediterranean from the arm of the Soviets. For this very reason, Moscow was looking for a means of extending its own power into the region. The Soviet Union believed that Yugoslav President Tito's death would present an opportunity to stir conflicts among Yugoslavia's diverse ethnic groups, to undermine internal cohesion and ultimately—by intimidation or even direct use of force—to push a pro-Soviet group to power. Recognizing the Soviet intent and foreseeing the possibility of a military confrontation between the superpowers, the United States resumed the sale of arms to Yugoslavia.

Romania received special attention from the United States as a reward for her defiance of Moscow on international matters. Romania had been able to pursue a semi-independent foreign policy because the regime did not need Soviet "friendship" to supply a power threat against domestic pressure—the Romanian Communist party's iron control had eliminated virtually all internal opposition. Thus the government felt free to establish amicable relations with China and Israel, and normalization of relations with Bonn took place three years before its official approval by Moscow. However, Romania's vulnerability to Soviet military power prevented the government from all-out heresy.

Ignoring the repressive domestic policies of Romania's rulers, the United States granted Romania economic and technical aid. Other Western nations followed suit. In addition, the heads of the United States and Romania exchanged diplomatic visits.

\*A doctrine enunciated in 1968 by Soviet Communist party leader Leonid Brezhnev to justify Soviet intervention in East Europe.

<sup>1</sup>Alexander Groth, "U.S. Policy Toward East Europe, 1969-1973," in Alan W. Jones, Jr., ed., *United States Foreign Policy in a Changing World: The Nixon Administration, 1969-1973* (New York: David McKay, 1973), pp. 128, 143.

The United States was reluctant to supply Romania with the type of military aid it offered Yugoslavia for several reasons. Selling arms to Romania might look like a direct challenge to Moscow; American weapons might fall into Soviet hands; and Romania simply could never possess enough arms for adequate security vis-à-vis the Soviet Union. The United States commitment to Romania was therefore restricted to nonmilitary assistance, and the Romanians understood that they would have to handle all security matters on their own.

United States relations with Poland were also tailored to the unique conditions of that country. Poland's foreign policy, unlike Romania's, has been almost identical to Soviet policy. On the other hand, Poland's political and economic systems evolved in a highly unorthodox manner. The power and prestige of Poland's Roman Catholic Church are so great that the ruling party has been forced to deal with an organized opposition. And while in many ways the economy resembles the Soviet economy, small businesses are privately owned, and individual farmers generate 80 percent of Poland's agricultural output.

After 30 years of attempted sovietization, Poland has remained anti-Communist, anti-Soviet, and pro-West (Polish-American and Polish-French ties are particularly strong). However, the Polish people have refrained from making openly anti-Soviet demands. Moscow has followed a similar policy of restraint, keeping its tanks out of Poland's politics and its hands off the aberrant development of Poland's economy. The pattern of Polish-Soviet relations was set in 1956, when Soviet Premier Nikita Khrushchev did not intervene militarily to control Polish rebels. Similarly, Leonid Brezhnev rejected Wladyslaw Gomulka's request for military aid during the 1970 disorders; instead, Moscow furnished the Communist regime with new economic credits. Despite this partial immunity from Soviet control, Poland's leaders realize that in the existing international configuration Poland has no alternative to a conciliatory relationship with the Soviet Union.

To help subdue recurring consumer riots, the Polish regime has sought large infusions of economic aid. The amount of foreign assistance needed is great because of the magnitude of the country's appetite; in size, population, and economy, Poland is second only to the Soviet Union among the nations within the Soviet bloc.

At first with reluctance but now with relief, Moscow allowed Poland to expand her trade with the West. In turn, Polish appeals for assistance were usually met with sympathy in Washington, D.C. Poland is currently the only member of the Warsaw Pact enjoying most-favored-nation status with the United States. Moreover, encouraged by *détente*, Poland has borrowed heavily from the West and has accumulated a huge debt.

Moscow has never considered Poland's bilateral economic and cultural ties with the West as a threat, for they do not fundamentally jeopardize the political-

strategic position of the Soviet Union. In fact, Poland's relations with the United States and other NATO allies are generally regarded as a model.<sup>2</sup>

The examples of Poland, Yugoslavia, and Romania indicate that in the early years of "realpolitik" United States foreign policy was imaginative, flexible and rational. "Realpolitik" took into account the security requirements of the Soviet Union as well as the socio-economic needs of the countries of East Europe.

Moreover, an important by-product of increased East-West exchange was the dawning of a new era of political reality for East Europe's Communist rulers. They could no longer operate within the relatively simple context of past decades, marked by Moscow's protection and domestic submission. Instead, the regimes found themselves caught in a precarious squeeze involving continuing political and military pressure from the Soviet Union, increasingly vocal pressure from their own consumers, and new economic pressures from the West as the result of trade and aid. Thus the Communist parties of East Europe were compelled to accommodate conflicting interests.

### THE SONNENFELDT DOCTRINE

Further limitations on the power of East Europe's totalitarian regimes resulted from the signing of the 1975 Helsinki accords. Communist rulers as well as the nations of the West voluntarily signed the pact, recognizing individual human rights like freedom of speech and travel, free flow of and access to information, and the right of families to reunite. Moreover, the Soviet Union went along with the provision endorsing the right of every state to pursue independent domestic and international policies.

Now that international standards have been established defining minimum protection for the individual against government intrusion, the emancipation of East Europe from the legacy of Stalinism can be expected to move forward. Helsinki stimulated a great deal of excitement in East Europe, and already a psychological transformation can be detected—dissidents have largely overcome their fear of repression. For example, encouraged by Helsinki, more than 200,000 East Germans have applied for permission to emigrate.

Poland affords another example of increasing popular dissent. A new wave of consumer riots broke out in the summer of 1976, and as a result the regime refrained from reinstating price increases—demonstrating that the Communist party feared the power of the people. Even a \$1.5 billion loan advanced by Moscow to keep Polish prices down proved insufficient to bail the party out of trouble. Instead, Poles look forward to modern-

ization as the remedy for political as well as economic problems. Toward this end, a national alliance of diverse groups, called the Committee for the Defense of Workers, has called for political liberalization and an end to censorship and terrorist harassment of the Roman Catholic Church and intellectuals. As one observer noted, "the party . . . now has to deal with the threat of a true 'dictatorship of the proletariat.'"<sup>3</sup>

The spirit of freedom and optimism is also resurfacing in Czechoslovakia, a victim of the 1968 Soviet invasion and the persistently hard line of Gustav Husák. More than 400 prominent citizens, many of them Marxists, signed the so-called "Charter 77" accusing the Communist party of contempt for the basic rights of the people. When the party tried to force the protesters into exile, they refused to go. Austria supported the dissidents by rejecting the official Czechoslovakian request to grant visas to the protesters.

Dissidents behind the Iron Curtain may have viewed the Helsinki accord as fuel for their fight to change the face of totalitarianism in East Europe; but Moscow regarded the pact as a means of preserving the status quo. The Soviet Union did not emphasize the human rights provisions of the Helsinki agreement, but rather the political and economic arrangements that provided official Western recognition of Europe's postwar borders and Soviet access to the Western economy.

Nor did the Republican administrations of President Richard Nixon and Gerald Ford regard Helsinki as a revolutionary document. By carrying the principle of "realpolitik" to excess, United States Secretary of State Henry Kissinger interpreted the human rights provisions and the East-West trade provisions in a way that strengthened the existing political situation.

To Kissinger, "realpolitik" meant that the primary objective of détente was the avoidance of war between the superpowers. In order to achieve this end, it was believed, absolute priority had to be given to the preservation of the existing balance of power to eliminate any causes of conflict. Kissinger, in effect, proposed a "holy alliance" (sometimes referred to as a "condominium") to check Soviet-American competition and to review every spontaneous nationalistic development in East Europe in the light of the possibility that it would disrupt the status quo.

The possibility that Soviet-East European relations would erupt in a third world war was analyzed in December, 1975, by Helmut Sonnenfeldt, counselor to the State Department. Sonnenfeldt pointed out that despite three decades of continuous material and spiritual domination over East Europe, the Soviet Union had "failed to establish roots of interest that go beyond sheer power." Soviet imperial strength was weak because Soviet leaders had not "brought the ideological, legal, cultural, architectural, organizational, and other values and skills that characterized the British, French, and German adventures."

<sup>2</sup>Arthur R. Rachwald, "Poland Between the Superpowers: Three Decades of Foreign Policy," *Orbis*, vol. 20, no. 4 (Winter, 1977), pp. 1055ff.

<sup>3</sup>Bernard Marguerite, "Poland's Crisis—Or Is It?" *The Christian Science Monitor*, February 17, 1977.

Sonnenfeldt suggested that the United States could try to stabilize the situation in East Europe by striving "for an evolution that makes the relationship between the East Europeans and the Soviet Union an organic one," rather than an "unnatural" one. This could be done, he said, by complementing the Soviet military and political presence with United States economic assistance designed to ease some of the domestic pressure felt by the East European Communist regimes.

The "Sonnenfeldt doctrine" implied that the upper limit on the political ambitions of the East European nations must be a "more organic existence within the context of a strong Soviet geographical influence." Accordingly, the United States would seek not to build bridges between East Europe and the West, but to use trade and aid to help fortify the bridges that already existed between the Soviet Union and its satellites.<sup>4</sup>

The Romanian Communist party daily *Scînteia* rightly condemned the "Sonnenfeldt doctrine" as an application of nineteenth century thinking to twentieth century politics. "It is strange and inconceivable," the newspaper wrote, "how politicians of our day can still turn to such an outdated arsenal, cannot understand the new realities of the world and the big changes wrought in modern international relations."<sup>5</sup> Surely Kissinger and Sonnenfeldt could not have expected that in this era of decolonization and nationalism, East Europeans who have been at the barricades for generations and do not hesitate to challenge the Soviet Union would suddenly agree to a more affluent but still semicolonial status. The "Sonnenfeldt doctrine" was also condemned by the Chinese, who called it a "further development of the appeasement policy the United States has followed toward the Soviet Union."<sup>6</sup>

#### MORALPOLITICS: THE CARTER DOCTRINE

Under United States President Jimmy Carter, the somewhat cynical "realpolitik" policy and the "Sonnenfeldt doctrine" have given way to what may be called "moralpolitics"—a commitment to take the human rights provisions of Helsinki seriously and to end the lack of moral leadership that characterized the Nixon-Ford administrations.

National Security Adviser Zbigniew Brzezinski explained that the United States intends to set its sights on higher goals. Whereas Kissinger stressed immediate needs and was easily satisfied with relatively insignificant gains, he said, "the United States has to undertake a creative process of building a new world system," including a growing concern for second rank powers.

The crusade for human rights is portrayed as a powerful weapon in the ideological war between communism and capitalism. Détente did not succeed in ending the ongoing offensive of the Soviet Union. On the contrary, each arms limitation pact and joint economic venture were touted by Moscow as proof of communism's superiority, in no way implying that the Soviet Union intended to give up its right to support "class struggles" abroad through "wars of liberation." Soviet intervention in Angola, via the Cubans, demonstrated the Soviet Union's growing militancy. Moreover, the badly tarnished image of the United States—the result of Vietnam and Watergate—added to Moscow's ideological advantage. The Soviets were thus able to insist that negotiation over issues of détente bore no relation to Soviet activity in Angola, Vietnam and the Middle East.

United States support of human rights movements around the globe would effectively challenge the appeal of communism, according to Brzezinski. United States policy would no longer be seen as militaristic and conservative, defensive and pessimistic. United States tendencies toward isolationism would also be thwarted, because "human rights is an issue which identifies the United States with an ideal more and more people worldwide share."<sup>7</sup> Emphasis on human rights might have positive domestic effects as well, by tapping the inherent idealism of the American people and the energy that was first stirred by the civil rights and anti-war movements.

It is still premature to pass final judgment on Carter's policy of "moralpolitics," primarily because it is too early to identify its objectives and to distinguish foreign policy statements from rhetoric. However, at this point "détente with human face [sic]"<sup>8</sup> seems to be a rather ambiguous notion, with potentially negative repercussions on United States relations with its European allies, the Soviet Union and East Europe.

While the leaders of West Europe never fully approved of Kissinger's "realpolitik" or the "Sonnenfeldt doctrine," they were comforted by the predictability of the United States course of action. The Carter administration's somewhat euphoric and starry-eyed pressure for human rights, it is feared, may produce an erratic diplomacy liable to confuse and complicate international affairs. West Germans, in particular, are deeply concerned about the possible detrimental impact on relations with East Germany.<sup>9</sup>

Even more serious, the new policy throws into question the future of United States-Soviet relations. A moralistic posture by the United States may be under-

(Continued on page 185)

<sup>4</sup>*The New York Times*, April 21, 1976.

<sup>5</sup>*Ibid.*

<sup>6</sup>*Ibid.*

<sup>7</sup>*U.S. News & World Report*, May 30, 1977.

<sup>8</sup>*Time*, October 17, 1977.

<sup>9</sup>Marion Gräfin Dönhoff, "Weltpolitik mit Fanfarenstößen," *Die Zeit*, March 4, 1977.

Arthur R. Rachwald is an Associate at the Harvard Research Center through the summer of 1978. This article was originally presented at the International Studies Convention at St. Louis in 1977.

---

*"The identification of Yugoslavia and the person of Tito is so strong that the question, 'Who will succeed Tito as the leader of Yugoslavia?' poses a logical contradiction for the average Yugoslav, since he cannot conceive of one without the other."*

# Yugoslavia and Tito: The Long Farewell

BY THOMAS F. MAGNER

*Professor of Slavic Languages, The Pennsylvania State University*

**J**OSIP Broz Tito has played such an important part on the international stage for so long that only a determinedly sheltered American could fail to recognize his name and his country. By the same token, the more fame that accrues to Tito as a person, the less we seem to know about the peoples and conditions in Yugoslavia. In defense of the general ignorance it must be noted that almost everything about Yugoslavia—her geography, peoples, political system—is not amenable to easy comprehension. Thus some basic facts about the country are in order.

Yugoslavia is a relatively small country, 98,766 square miles, about the size of Oregon. The topography of the country is in large part like a crumpled-up handkerchief—three quarters mountainous with plains in the northeast. Yugoslavia's location on the Balkan peninsula gives rise to many problems and some benefits. For one thing, she contends with seven neighbors along her 1,850 miles of border and at any given time one or two of these countries will probably be hostile to Yugoslavia. In the northwest, Yugoslavia is bounded by Italy, then (moving in a clockwise fashion) by Austria, Hungary, Romania, Bulgaria, Greece and, due south, by Albania. Her western boundary is the Adriatic Sea, a magnificent natural resource with its 1,300 miles of meandering coastline and many islands.

Yugoslavia is divided into six republics—(going from northwest to southeast) Slovenia (capital, Ljubljana), Croatia (Zagreb), Bosnia and Hercegovina (Sarajevo), Serbia (Belgrade), Montenegro (Titograd) and Macedonia (Skopje). There are two autonomous provinces: Kosovo, in southeast Serbia, with the capital of Prishtina, and Vojvodina, in northeast Serbia, with Novi Sad as a capital. Belgrade is not only the capital of Serbia but also (and this is a source of friction) the capital of all Yugoslavia.

Yugoslavia's population numbers some 22 million (1978 estimate); the largest constituent nationality are the Serbs (40 percent), followed by the Croats (22 percent), Muslims (8 percent), Slovenes (8 percent),

Albanians (6 percent), Macedonians (6 percent), Montenegrins (2 percent), and Hungarians (2 percent). There are also 16 other nationalities, the largest of which (Turks) numbers about 130,000 and the smallest (Austrians) about 1,000.

All these nationalities are distinct; with few exceptions (e.g., Gypsies) each has its own territory or region and its own culture. The "melting pot" may work in the New World but it does not function in Yugoslavia or in many other multinational countries. It may seem strange to an outsider that there are practically no "Yugoslavs"; in the 1971 census, only 273,000 (out of 20.5 million) identified themselves as "Yugoslavs." A quip current at that time was, "If Italy can function without a government, then Yugoslavia can function without Yugoslavs."

Religion is also a distinguishing feature, with large numbers of Yugoslavs professing either Roman Catholicism (e.g., in Slovenia, Croatia), Serbian Orthodoxy (e.g., in Serbia, Montenegro), or the Muslim religion (mainly in Bosnia and Hercegovina). "Muslim" is a name for a religious denomination and a designation of a nationality category; thus, a Communist official in Sarajevo could be an atheist and at the same time an ethnic Muslim.

In addition to differences of territory, culture and religion, Yugoslav nationalities are also distinguished by language. Serbo-Croatian is spoken by about 73 percent of the population, Slovenian by 8 percent, Albanian and Macedonian by 6 percent each, and Hungarian by 2 percent. Of these languages, Serbo-Croatian, Slovenian and Macedonian are related South Slavic languages (Yugoslavia literally means "South Slavdom"). Complications arise, however, in the matter of Serbo-Croatian which is spoken by Croats, Montenegrins, Muslims (in Bosnia-Hercegovina) and Serbs. Many Croats insist on the distinctiveness of their Croatian speech, some insisting that Croatian and Serbian are distinct languages. To the outside observer, the differences seem to be fewer than those between



American and British English, but nationality tensions are often ignited by even minor language differences. In the late 1960's and early 1970's, demands for special recognition of the Croatian "language" led to government repression of Croatian intellectuals.

In summary, Yugoslavia is a small Balkan country, composed of many nationalities, distinguished by separate histories, languages, religions and customs—ranging from highly literate people in the northern tier and in the coastal regions to relatively backward groups in the southern mountains. There is no majority nationality in this crazy quilt of nationalities, though the Serbs are the largest and most influential group.

The official name of Yugoslavia is the Socialist Federal Republic of Yugoslavia or, in abbreviation, SFRY (*Socijalistička Federativna Republika Jugoslavija* or *SFRJ*). At the head of the government is a President, actually "President for Life," in the case of the present occupant, Josip Broz Tito. There is also the presidency of the Republic, a nine-man committee composed of one representative from each republic and each autonomous province, and the president of the League of Communists, who happens to be Tito. One of the chief functions of the presidency committee is to ensure orderly succession when the "President for Life" dies. There is a bicameral Assembly (*Skupština*), composed of a Federal Chamber with 220 members and a Chamber of Republics and Provinces with 58 members; election to these bodies is indirect and under the control of the League of Communists.

In her own official view, Yugoslavia is a socialist country guided by Marxist-Leninist principles in her march toward communism. The League of Communists, a minority group (8 percent of the population), is openly in control of the country. Tito is clearly the chief prop of the League, and whether the Marxist system will survive him is an open question.

## YUGOSLAV INNOVATIONS

Yugoslavia is widely known for three innovations: Titoism, nonalignment and self-management. Titoism burst forth dramatically in 1948, when Tito and his associates defied Soviet Premier Joseph Stalin, refusing to accept the overlordship of the Soviet Union and declaring, in effect, that Communist goals could be achieved within a national framework. The idealistic view of the Yugoslav position was expressed in this fashion: "No matter how much each of us loves the

land of socialism, the U.S.S.R., he can, in no case, love his country less, which is also developing socialism."<sup>1</sup> From a practical standpoint, a complete break with Stalin was probably far safer for the Yugoslavs than a compromise, since Stalin's treatment of penitents was notorious and lethal.

Titoism shattered the monolithic image of communism and proved to be very contagious; thus today two huge Communist states (the Soviet Union and the People's Republic of China) are bristling with hostility toward each other while two small Communist states (Vietnam and Cambodia) are carrying on military actions against each other. Titoism has continued to evolve, leading to the concept of Eurocommunism, in line with which minority Communist parties in West European countries (Spain is a good example) attempt to function within the national matrix, independent of Soviet control.

After his break with the Soviet Union, Tito moved into closer association with the leaders of other developing countries; working with President Sukarno of Indonesia, President Gamal Abdel Nasser of Egypt, Emperor Haile Selassie of Ethiopia and Prime Minister Jawaharlal Nehru of India, he developed a foreign policy of nonalignment. This policy is "a way of preserving national independence—particularly in the case of the newly independent and small countries—and of overcoming the present division of the world into military-political alliances and closed economic [groups]."<sup>2</sup> Western observers tend to be rather skeptical of the purity of nonaligned motivation and ask the question: "Nonaligned against whom?"<sup>3</sup> Tito has outlived the other nonalignment pioneers and is today the titular head of the heterogeneous grouping (by definition not a "bloc") of third world nations professing nonalignment.

In the politico-economic sphere, Yugoslav Communists are very proud of their introduction of the concept of "self-management" (*samoupravljanje*) in all state enterprises. The guiding principle of self-management is that all factories, offices and institutes belong to the Yugoslav workers and thus should be managed by them. These enterprises are managed by elected workers' councils. This concept may not seem particularly exciting to the Western observer, but it is truly revolutionary compared to the state-ownership system of the Soviet Union and its satellites, in which workers are told, not asked, how their enterprise is to function.

## NATIONALITY PROBLEMS

In a recent issue of *Current History*, Robert Sharlet described the nationality problem in multinational Soviet Union as a "time bomb buried in Soviet society," which could prove to be the "most dangerous difficulty facing the regime in coming decades."<sup>4</sup> This striking metaphor, with qualifications, can be applied to Yugoslavia's nationality situation. For one thing, the

<sup>1</sup>Phyllis Auty, *Tito* (New York, N.Y.: McGraw-Hill Book Company, 1970), p. 252.

<sup>2</sup>Nebojsa Tomasevic, ed., *Facts about Yugoslavia* (Belgrade, Yugo.: Yugoslav Review, 1971), pp. 68-69.

<sup>3</sup>For a particularly skeptical view of Yugoslavia's nonalignment, see Laurence Silberman, "Yugoslavia's 'Old' Communism: Europe's Fiddler on the Roof," *Foreign Policy*, Spring, 1977, pp. 10-14.

<sup>4</sup>"Dissent and Repression in the Soviet Union," *Current History*, October, 1977, p. 114.

nationality problem is not buried in Yugoslav society; it is very much on the surface. Since inter-ethnic, particularly Croat-Serb, relationships tend to follow a cycle swinging from harmony to dissension, "teakettle" is probably a better term for the harmonious stage, when nationality grievances are minor and easily appeased; but "time bomb" is appropriate for the subsequent stage of hostility and potential conflict.

The potential for nationality conflict was built into the structure of the country when it was created on December 1, 1918, as the Kingdom of Serbs, Croats, and Slovenes. The latter two peoples had been subject nationalities in the Austro-Hungarian Empire while the Serbs had enjoyed their own kingdom since 1878. Many Croats and Slovenes may have believed that they were simply exchanging a monarch in Vienna for one in Belgrade, while Serbs may have seen the new country as a "greater Serbia." The absorption of the former Kingdom of Montenegro would reinforce this Serbian view, since Montenegrins have traditionally been regarded as a type of Serb. The problem of adjustment was thus most acute for the Croats, the second largest nationality in the new country, and their sense of historical identity and pride in an advanced culture constantly stimulated them to seek greater autonomy.

The "time bomb" exploded during World War II, when Croats and Serbs and other nationalities fought and slaughtered each other as passionately as they slaughtered the German and Italian invaders. It was the tragedy of the Croats, who have dreamed of independence for the last two centuries, to realize a caricature of that dream in the form of a short-lived Nazi puppet state. The internecine turmoil came to an end in 1945, when Tito's Partisans, the guerrilla force backed by the Allies, took power in the shattered country and established a Soviet-style government. Nationality relations were relatively harmonious through the 1950's; but in the late 1960's and early 1970's, Croatian attempts to secure greater economic and cultural autonomy led Tito and the central government in Belgrade to crack down (jail sentences, dismissals from the party) against Croatian leaders.

The category of "Muslim" has been allowed only in the last two censuses (1961, 1971). In previous censuses, Muslims declared themselves as Croat-Muslims, Serb-Muslims, and so on. Yugoslav officials use the term Muslim in the ethnic (non-religious) sense to designate those citizens who were historically muslimized during the five centuries of Turkish domination and who still adhere to a Muslim tradition. The government evidently took a chance in allowing this category to develop, since the term cannot fail to have

religious implications. But it probably hoped that an expanded Muslim group would serve as a buffer between Croats and Serbs and might be useful vis-à-vis adherents of Islam outside Yugoslavia.

The number of Muslims in the republic of Bosnia and Hercegovina expanded dramatically in the decade between the two censuses, going from 26 percent in 1961 to 40 percent in 1971. Where did so many Muslims come from so rapidly? The answer appears in the loss in the Serbian category (43 percent in 1961 but 37 percent in 1971) and attrition in the anomalous "Yugoslav" category (8 percent in 1961 but 1 percent in 1971). In a country where the two largest nationalities, the Serbs and Croats, continue to compete for power and recognition, it is no surprise that the third largest group, the Muslims, now a nationality, are evincing all the signs of incipient nationalism. As Malcolm W. Browne reported from Sarajevo in 1974,

Muslim nationalism, a phenomenon rarely found outside Yugoslavia, is coming under increasing criticism by Communist leaders here who view it as a potentially dangerous and divisive force.<sup>5</sup>

Perhaps the most vexing nationality problem in the land of the South Slavs is presented by a non-Slavic nationality, the Shiptars or Yugoslav Albanians, who numbered 1,310,000 in the 1971 census. Concentrated in Kosovo and Macedonia, their territory in Yugoslavia is contiguous to Albania; thus it is a potential temptation for an expansionist Albania and a constant worry for Yugoslavia. For their part, the Yugoslav Albanians complain that their numbers entitle them to republic status, particularly since the much less numerous Montenegrins (509,000 in 1971) have their own republic.

In Yugoslavia, there are also many other nationalities, and they are all, save for Gypsies, vocal in their own interests. The surprising thing about Yugoslavia, with her intricate mosaic of ethnic groups, is not that there are inter-ethnic quarrels but that the country has survived, albeit barely at times, for almost 60 years.

Tito's extraordinary longevity has confounded many observers. In a country where half the population is under 30 years of age, Tito will celebrate his 86th birthday on May 25, 1978. As far back as 1962, Fred Warner Neal, writing in *The Atlantic*, cited as one cause of Yugoslavia's malaise the fact that "the senior leaders of the country have stayed in power too long."<sup>6</sup> In 1970, Milovan Djilas offered his speculations in a *New York Times* piece entitled "After Tito—A Weaker Yugoslavia," with the subtitle, "Nationalism is Rising, Marxism Declining in Communist State."<sup>7</sup> Obviously, making predictions based on Tito's health has so far been a losing game. Tito might leave the scene before his birthday (actually May 7, officially May 25) or he might survive for another decade.

Born in 1892 in the tiny Croatian village of Kumro-

<sup>5</sup>"Yugoslavia Increasingly Criticizes Her Moslems for Nationalism," *The New York Times*, April 8, 1974, p. 2.

<sup>6</sup>"Yugoslavia at the Crossroads," *The Atlantic*, December, 1962, p. 82.

<sup>7</sup>*The New York Times*, October 30, 1970, p. 39.

vec, a few kilometers from the Slovenian border, Tito served as a soldier in the Austro-Hungarian army in campaigns against Serbia; was captured on the Russian front, lived through the Russian revolution, became and has remained the head of Yugoslavia's Communist party since 1939, and led the victorious Partisans in World War II, fighting Italian, German and other Yugoslav forces. Head of the Yugoslav state since 1945, he has reigned longer than any Croatian or Serbian king. Like France's Louis XIV, Tito could boast, "*L'état, c'est moi!*" During his rule, his close comrades have either died or retired or have been forced to retire, while only a few close associates like the Slovene, Edvard Kardelj (now 68 years old), remain.

Tito's advancing age and the absence of viable successors have created a power vacuum so acute that factions, both inside and outside Yugoslavia, are marshalling their forces in preparation for Tito's passing. Even Tito's wife Jovanka, a Serb from Croatia, is reported to be under house arrest for meddling with government appointments.<sup>8</sup>

A recent Associate Press dispatch reports that President Tito held a banquet honoring the Yugoslav military at which he proposed a toast to Defense Minister Nikola Ljubičić, saying:

Abroad they constantly are asking what will be tomorrow, say, when I leave. We have done everything to make sure that nothing happens. Things will continue to go ahead well. Nothing can happen here because our army secures that in the socialist development of our country we go along the line we have chosen.<sup>9</sup>

The Yugoslav army is likely to be a major actor after Tito's demise, despite the fact that the ethnic problem touches the armed forces as it does all aspects of Yugoslav life. (Of the army officer corps, 70 percent is Serbian or Montenegrin; the Defense Minister, Nikola Ljubičić, is a Serb.) Formed on the basis of the victorious Partisan forces of the 1940's, the army numbers some 260,000 men. Unlike the Partisans, who were a ragtail but victorious force, the current Yugoslavia army is highly professional but innocent of modern battle experience. The Soviet Union's lightning-like invasion of Czechoslovakia in 1968 dealt a rude shock to Yugoslavia's generals who realized, as the Soviet leaders anticipated, that a similar invasion of Yugoslavia would be equally successful, at least militarily. One conse-

quence of this frightening lesson was the development in Yugoslavia of the concept of territorial defense units, something like our national (state-based) guards. In theory, these regional units could function as support units to the regular army but would be more mobile; they could, in other words, function as guerrilla forces.

### YUGOSLAV-U.S. RELATIONS

If state visits are any indication of mutual approval, then the United States and Yugoslavia are currently enjoying a harmonious relationship. The first American President to visit Yugoslavia, President Richard Nixon created a precedent in 1970; President Gerald Ford followed suit in 1975 and Vice President Walter Mondale in 1977. Tito has made three visits to the White House, one in 1960 to confer with President Dwight D. Eisenhower, one in 1971 to see President Nixon, and most recently, in March, 1978, to visit President Jimmy Carter. Tito's close friend and "comrade-in-arms," Edvard Kardelj, visited Washington in 1977. Given President Carter's penchant for international travel, it seems probable that he, too, will soon visit Yugoslavia.

The United States has been relatively generous to Yugoslavia, giving some \$2.9 billion in economic aid in the period from 1950 to 1967; included in this figure was \$700 million for specifically military assistance.<sup>10</sup> In January, 1973, Yugoslavia and the United States signed a bilateral agreement authorizing a United States agency, the Overseas Private Investment Corporation (OPIC), to encourage American investment in Yugoslavia. At the present time, there are some 18 joint ventures in force; for example, the Dow Chemical Company and INA, a Croatian oil products company, have already broken ground for a \$700 million petrochemical complex on the island of Krk (Croatia). The Westinghouse Company is well along toward the completion of a nuclear power plant in Krško (Slovenia) in conjunction with two Yugoslav power companies, one Slovenian and one Croatian.

In 1976, the United States exported \$296 million worth of products to Yugoslavia and purchased \$387 million in goods from Yugoslavia. United States exports to Yugoslavia that year included agricultural and industrial machinery, aircraft, motor vehicles, animal feed, fertilizer and military equipment. About one-third of United States imports from Yugoslavia consisted of non-ferrous metals (copper, lead, aluminum); other major categories of imports were furniture, meat products, tobacco products and footwear. In 1977, the total volume of trade reached a slightly higher total, \$690 million, with \$357 million worth of products exported by the United States and \$333 million exported by Yugoslavia. Comparison of the trade figures for 1976 or 1977 with those of 1969, when the total volume was \$186 million (\$93 million each way), indicates the impressive growth of the United States trading partnership with Yugoslavia.

<sup>8</sup>David A. Andelman, "Tito's Wife is Rumored in Disfavor for Backing Serbian Faction," *The New York Times*, October 26, 1977, p. A2. An anomaly of ethnic distribution in Yugoslavia is the fact that 14 percent of the population in Croatia are Serbs who live in a mountainous enclave in the western part of the republic.

<sup>9</sup>"Tito Says Yugoslav Army Will Be Guarantee of Unity," *The New York Times*, December 23, 1977, p. A9.

<sup>10</sup>The facts and figures in this and the next two paragraphs come from officials in the Overseas Private Investment Corporation and at the Yugoslav Desk, United States Department of State, Washington, D.C.

Today, some 50 percent of Yugoslavia's trade is with Western countries, including the United States. About 30 percent of Yugoslavia's total consists of trade with other Communist countries, including the Soviet Union, while 15 percent of her trade is with third world countries.

The official United States position on Yugoslavia is support for the status quo. As outlined in a 1976 State Department publication,

Despite differences of view on a number of significant foreign policy issues, United States policy continues to be based on a strong and continuing interest in Yugoslavia's independence, unity, and economic well-being.<sup>11</sup>

The policy of the Soviet Union toward Yugoslavia is somewhat more complicated, since Yugoslavia is viewed in Moscow as the "big one that got away." Tito has managed to stand up to Soviet leaders Joseph Stalin, Nikita Khrushchev and Leonid Brezhnev, resisting Soviet demands that would dilute Yugoslavia's independence. Soviet leaders have been trying in a number of ways, some apparently contradictory, to regain effective control of Yugoslavia after Tito, the great "heretic," dies. The Soviet Union has allegedly been financing the disruptive activities of Croatian rightists in West Europe, promising them an independent Croatia after Tito's death. Tension between Bulgaria and Yugoslavia's republic of Macedonia might be easily maintained by a Soviet promise to restore Macedonia to Bulgaria. Plausible promises and inducements to Serbs, Slovenes, Albanians and other ethnic groups may also have been made.<sup>12</sup>

How would the United States view overt action on the part of the Soviet Union to return Yugoslavia to satellite status? Or, more precisely, how would the United States react in the event that Soviet troops invaded Yugoslavia? Current assumptions do not, of course, flow necessarily into future actions but they do provide some guide. And here we should consider presidential candidate Jimmy Carter's remarks on the subject of Yugoslavia when he debated President Gerald Ford in October, 1976. Washington columnist Joseph Kraft asked the following question:

Governor Carter, the next big crisis spot in the world may be Yugoslavia. President Tito is old and sick and there are divisions in his country. It's pretty certain that the Russians are going to do everything they possibly can after Tito dies to force Yugoslavia back in the Soviet camp. But last Saturday you said, and this is a quote, "I would not go to war in Yugoslavia even if the Soviet Union sent in troops."

Doesn't that statement practically invite the Russians to intervene in Yugoslavia? Doesn't it discourage Yugo-

slavs who might be tempted to resist and wouldn't it have been wiser on your part to say nothing and to keep the Russians in the dark, as President Ford did and as I think every President has done since President Truman?

In his reply candidate Carter referred to recent briefings he had had from United States Energy Secretary James Schlesinger and former Ambassador W. Averell Harriman, particularly from the latter, who had just returned from visits to the Soviet Union and Yugoslavia. He went on:

Mr. Harriman talked to the leaders in Yugoslavia, and I think it's accurate to say that there is no prospect, in their opinion, of the Soviet Union invading Yugoslavia should Mr. Tito pass away. The present leadership there is fairly uniform in their purpose. I think it's a close-knit group and I think it would be unwise for us to say that we will go to war in Yugoslavia if the Soviets should invade which I think would be an extremely unlikely thing.

I have maintained from the very beginning of my campaign—and this was a standard answer that I made in response to the Yugoslavian question—that I would never go to war or become militarily involved in the internal affairs of another country unless our own security were directly threatened, and I don't believe that our security would be directly threatened if the Soviet Union went into Yugoslavia. I don't believe it will happen; I certainly hope it won't. I would take the strongest possible measures, short of actual military action by our own troops. But I doubt that that would be an eventuality.

Candidates have, of course, been known to change positions upon entering the White House, but Jimmy Carter's 1976 statement of intentions has undoubtedly been taken into account in the Soviet Union's post-Tito plans.

Why, one might ask, should the Soviets and Yugoslavs read more into campaign statements than American voters do? Here we are dealing with vast differences in perceptions by people of different cultures. Americans are used to the give and take of public discussion, the folksiness of officials, their off-the-cuff statements, ad lib answers and the outright "boners." In Communist states, however, there is always an official position, no matter how much discussion and disagreement may take place behind doors. President

(Continued on page 182)

---

**Thomas F. Wagner** has published extensively in the field of Slavic linguistics; with Ladislav Matejka he coauthored *Word Accent in Modern Serbo-Croatian* (University Park, Pa.: The Pennsylvania State University Press, 1971). He edited *Slavic Linguistics and Language Teaching* (Columbus, Ohio: Slavica Publishers, Inc., 1976), and recently wrote the article, "The Melting Pot and Language Maintenance in South Slavic Immigrant Groups," *General Linguistics*, vol. 16, nos. 2/3 (Summer/Fall, 1976).

<sup>11</sup>"Background Notes: Yugoslavia," *Department of State Publication 7773*, revised July, 1976 (Washington, D.C.: U.S. Government Printing Office), p. 8.

<sup>12</sup>See, for example, "A Post-Tito Yugoslavia Is Worrying NATO," *The New York Times*, June 26, 1977, p. 3.



---

*"Trapped between pressures for an effective increase in the standard of living and demands for political liberalization, Poland's Communist regime appears unable to diffuse social tensions."*

## Poland Facing the Brink

BY JAN B. DE WEYDENTHAL

*Assistant Professor of Political Science, University of South Carolina*

A recent visitor to Poland heard a popular joke about a man who is standing in a long shopping line in front of one of Warsaw's meat stores. After several hours of waiting, he turns to a man behind him and asks him to save his place because he has urgent business elsewhere.

"Certainly," the other man replies, "but where are you going and how long will you be away?"

"I'm going to look up Gierek (Poland's Communist party leader) and punch him in the nose," the first man says and leaves.

A short while later, he is back.

"That was quick," remarks the man standing in the line.

"Well," says the first man, "the line at Gierek's office was even longer than the one here, so I gave up."

If nothing else, the joke illustrates the kind of problems that have shaped the recent political situation in the world's third largest Communist country. Poland has suffered difficulties in maintaining socially acceptable levels of state economic performance and coping with mounting discontent and a general worsening of relations between the political leadership and the population. These developments stand in sharp contrast to the relatively stable conditions in Poland three years ago; then the economy was still expanding, and general expectations of further progress appeared to preclude any large-scale politicization of social conflicts.<sup>1</sup> The impact of these developments on Poland's politics has been drastic because the effectiveness of government has been undermined. If economic difficulties remain unchecked, social disruptions could lead to a major shake-up in the political leadership with serious consequences for the society, the country, and the stability of the system itself.

At the root of the current problems is the collapse of a government strategy of rapid economic growth, which emphasized imports and foreign credits as the main sources of industrial expansion and an improvement in the standard of living. Developed in the early 1970's, the strategy produced initially impressive results. By the end of 1975, the gross national product had increased by 59 percent over 1970, and industrial employment had risen 14.8 percent, with production going up by 44.3 percent. Aided by the imposition of a freeze on food prices until the end of 1974, real wages in 1975 were up by 40.9 percent over 1970, for an average growth rate of 8 percent a year. There was no doubt about the rise in the Polish standard of living, and growing investments—147.3 percent in capital goods and 75.3 percent in consumer industries since 1970—reinforced expectations of continuing prosperity.<sup>2</sup> Economic success furnished the basis for political stability that included a considerable degree of popular support.

But serious signs of economic difficulties appeared in the mid-1970's. To a large extent, the difficulties resulted from the unintended consequences of Poland's reliance on foreign help to stimulate domestic expansion. A deteriorating international economic situation drastically affected the government's ability to continue its program of development. The cumulative effect of growing foreign indebtedness and rising prices for imported goods made it necessary for Poland to expand the export of domestic, primarily food, products while imposing limitations on consumption at home. To make matters worse, domestic agricultural production declined in 1975 by 2.7 percent over 1974,<sup>3</sup> further reducing food supplies on the market.

In consequence, there was an urgent need to adjust economic policy, including (but not limited to) price increases for consumer goods. Such a broad reorganization was particularly important because persistent management inefficiencies, resulting from administrative centralization, were further magnified in Poland by the developmental boom that produced widespread

<sup>1</sup>See Richard F. Staar, "Poland: The Price of Stability," *Current History*, March, 1976, pp. 101-106, 134.

<sup>2</sup>*Small Statistical Yearbook 1976* (Warsaw, 1976), in Polish.

<sup>3</sup>*Ibid.*

overinvestment, overemployment and an inflationary rise in wages. Any regulatory measure restricted to price increases would surely ignite popular resentment, weakening the government.

Yet the steps taken by Poland's leadership were limited to prices. On June 24, 1976, Prime Minister Piotr Jaroszewicz announced a drastic food price increase, ranging from 69 percent average for meat products to 50 percent for butter and 100 percent for sugar. The increases provoked an immediate outburst of resentment, including a massive protest by industrial workers. Within a few hours after the announcement, there were strikes and work stoppages across the country. These protests remained essentially peaceful; but there was a real danger that the workers would become violent if the government's decision stood unchanged. There were instances of unrestrained vandalism and looting in the Warsaw region, and in the city of Radom the local party headquarters was set on fire.<sup>4</sup> Faced with a nationwide workers' rebellion and mindful that the last workers' revolt in December, 1970, had led to a drastic change in the composition of political leadership, the government was forced to reverse its decision. On June 25, less than 24 hours after the original announcement, the food price increases were rescinded.

Although there was no subsequent attempt to raise prices, the supply of food and consumer goods did not improve. In mid-August, 1976, sugar rationing was introduced. Reportedly, a similar plan for meat was also considered and abandoned as politically too risky.<sup>5</sup> In September, the party's central committee decided to hand the whole matter of price changes to five working commissions, which were to report their findings within a year.<sup>6</sup> By the end of December, 1977, their recommendations were still to be announced.

Instead, to prevent a serious economic crisis, Polish leaders sought and obtained substantial aid from the Soviet Union. Negotiated in Moscow during November, 1976, the aid package included a low interest loan of about \$1.3 billion and deliveries of food, raw materials,

and consumer goods.<sup>7</sup> Clearly intended to provide immediate relief in a disastrous situation, the Soviet help could hardly be regarded as a lasting solution to Poland's problems.

As for political reaction to the workers' protest, the government promised to hold broad popular consultations, particularly with industrial workers, before any decisions were made.<sup>8</sup> At the same time, however, the government undertook a series of repressive measures against selected groups of workers from factories in Warsaw and Radom, the scenes of violent incidents. Several hundred workers were arrested; many lost their jobs; and an undetermined number of persons were sentenced in numerous trials that lasted through the summer and fall of 1976. These punitive actions provoked widespread criticism; in the face of government intransigence, the criticism rapidly extended beyond specific demands for leniency and developed into a movement of active opposition against the government and its methods.

This movement of dissent did not constitute any discernible social or ideological entity. Rather, it embraced a variety of separate groupings, each with its own internal characteristics and patterns of activity. Dissenting groups include the Committee of Workers' Defense (KOR), a socialist group organized in September, 1976, by 14 prominent intellectuals to provide legal and financial aid to families of imprisoned workers and to campaign for their release; the Movement for Defense of Human and Civil Rights (ROPCO), formed in March, 1977, to support the general issue of individual rights but without any clear ideological preference; and the Polish Independence Accord (PPN), unifying several ideological currents on the basis of a patriotic platform that calls for the gradual transformation of Poland into an independent and democratically organized state. While both KOR and ROPCO insist on open opposition against government policies within the limits of existing law, PPN seems to prefer clandestine activity in the style reminiscent of nineteenth century Polish resistance against tsarist Russia.<sup>9</sup> All publish typed newsletters and periodicals that appear regularly.

Their activities received a significant response at home and abroad. Especially important has been KOR's ability to collect substantial funds to assist needy workers. By September, 1977, more than three million zlotys had been spent in financial and medical help for several hundred worker families.<sup>10</sup> Another indication of public support was a series of letters and petitions addressed to the authorities demanding investigations of police brutality, like a petition of 889 workers from a tractor factory near Warsaw in November, 1976, calling for the reinstatement of dismissed co-workers, a letter signed by 172 intellectuals to the Sejm (Parliament) in January, 1977, and several petitions by teachers and students in March.<sup>11</sup>

<sup>4</sup>Peter Osnos in the *Washington Post*, June 30, 1976; also *The New York Times*, June 28, 1976.

<sup>5</sup>Peter Osnos in the *Washington Post*, October 25, 1976.

<sup>6</sup>See a report to the Central Committee by Edward Gierek, *Trybuna ludu*, September 10, 1976.

<sup>7</sup>David Lasalles in the *Washington Post*, November 20, 1976.

<sup>8</sup>I.e., Gierek's speech to worker activists, *Trybuna ludu*, September 6, 1976.

<sup>9</sup>For documents on dissidents' programs see (for KOR) Jacek Kuron, "Reflections on a Program of Action," *Polish Review*, vol. 22, no. 3 (1977), pp. 51-69; (for PPN and ROPCO) *Kultura* (Paris), no. 11, 1977, in Polish.

<sup>10</sup>Detailed report by KOR was published in *Kultura* (Paris), no. 3, 1977, pp. 148-149.

<sup>11</sup>*Sunday Telegraph* (London), January 9, 1977; *Frankfurter Allgemeine Zeitung* (Frankfurt, West Germany), May 14, 1977.

More important, there has been an explicit rapprochement between Poland's Catholic Church and dissidents. In late 1976, the Church protested against the government's mistreatment of workers. Catholic priests were subsequently among the founders of principal opposition groups, and some protest demonstrations were held in churches throughout the country. During 1977, Church leaders, including Primate Stefan Wyszyński, delivered sermons and issued pastoral letters critical of government policies toward human rights and of biased press accounts of dissident movements. For their part, dissidents proclaimed their appreciation of Church support and appealed for continuing cooperation.<sup>12</sup>

Given this rising dissent, the government has tried to find ways to restore social support for the ruling Communist party and its leadership. With a membership (in May, 1977) of 2,573,000 in a population of 35 million, the Polish United Workers' party (PUWP) is the largest political organization in the country. In early 1976, its directing prerogatives over state and public organizations were legally recognized through a constitutional amendment. And yet, the party may not have the ability to fulfill its leadership role; witness its failures to impose restrictive economic measures in June, 1976. Just as this failure revealed the general weakness of the party's perception of social and economic realities, it also signaled a specific danger that the PUPW might be permanently divorced from industrial workers.

This possibility spurred political action aimed at regaining worker support for the party. Most imprisoned workers were freed early in January, 1977, and a conditional pardon for those who "show repentance" was declared the following month. These actions were combined with a massive recruitment drive to attract workers into party ranks. By May, 1977, the percentage of workers in the party had risen from 40.6 percent in 1975 to 44.7 percent (1,150,000), the highest percentage since 1955. Conversely, the white collar share in the membership declined from 42.9 percent to

39.6 percent (1,018,000) and the peasants' share dropped from 9.9 percent to 8.7 percent (225,000). The proportion of other social groups—retirees, artisans, and so on—increased marginally from 6.6 percent to 7.0 percent (180,000).<sup>13</sup>

However, it is doubtful that this development heralds a lasting reorientation of the party toward workers as its primary social base. The long-established organizational patterns, arising from party governing pre-occupations, that put a premium on educational and professional qualifications for party membership suggest that white collar groups are likely to remain its main social support.<sup>14</sup> Hence, the drive to bring the workers into the PUWP appears to be only a temporary tactic.

At the party leadership level, the dominant accent has been on continuity. There was considerable speculation that the June, 1976, crisis would lead to changes in the party and government hierarchy, but none took place. At the end of 1977, the composition of the two highest party organs, the Politburo and the Secretariat, was unchanged.<sup>15</sup> Since 1970, the leader of the party has been its first secretary, Edward Gierek, while Politburo members Piotr Jaroszewicz and Henryk Jablonski continue as heads of the government and the state, respectively.

The party's attitude toward political dissent has been ambiguous, both antagonistic and conciliatory. To contain opposition movements, the government has adopted a series of restrictive measures ranging from press and institutional harassment to police intimidation and arrests of dissidents. The most dramatic incident in the continuing process of political confrontation occurred on May 7, 1977, in the city of Krakow, where a young KOR supporter was found dead in rather strange circumstances. A KOR protest against the official failure to investigate his death resulted in the arrest of several prominent representatives of the dissident organization. But the government's attempt to silence its critics only prompted a counteraction: ten KOR members and sympathizers went on a week-long hunger strike in a Warsaw church to publicize their demands for the release of those arrested and several other imprisoned workers. This strike led to a renewed press campaign against opposition groups, including accusations of collaboration with foreign intelligence agencies.<sup>16</sup> Yet a general amnesty in July freed all arrested protesters and workers, and their cases were officially closed.

Insofar as this action represented the government's attempt to calm the political tension by granting the dissidents' demands, it failed to end the momentum of opposition activity. The dissidents regarded their success in obtaining the release of the workers as an indication of growing strength rather than as a sign of the government's willingness to compromise. They became determined to expand their work.<sup>17</sup> In September, KOR changed its name to the Committee for Social Self-

<sup>12</sup>I.e., Adam Michnik, *Church, Left-Wing, Dialogue* (Paris, 1977), in Polish.

<sup>13</sup>*Nowe drogi*, June, 1977, p. 9, in Polish.

<sup>14</sup>On this point see Jan B. de Weydenthal, "Party Development in Contemporary Poland," *East European Quarterly*, vol. 11, no. 3 (1977), pp. 341-363.

<sup>15</sup>For listing of incumbents see R.F. Staar, *op. cit.*, p. 104.

<sup>16</sup>I.e., "Under Consideration," *Polityka*, May 28, 1977; "Anti-Socialist Means Anti-Polish," *Perspektywy*, May 27, 1977; also a series of articles by Bohdan Rolinski and Anna Kłodzinska in *Zycie Warszawy* in May-June, 1977.

<sup>17</sup>See the interview with a KOR leader, Jacek Kuron in *Combio* (Madrid), November, 1977, pp. 7-13, as well as an article by another prominent dissident, Adam Michnik, in *Le Monde* (Paris), October 25, 1977. Both insisted on the need to develop an institutionalized movement of opposition in Poland.

Defense and established itself as an autonomous body for the defense of human rights. Similarly, in October ROPCO opened six offices throughout the country to collect and publicize information on official violations of individual freedoms. That same month, its spokesman revealed that a series of localized strikes had taken place in several coal mines as a protest against inadequate food supplies. No punitive action followed.

### GOVERNMENT AND CHURCH

With respect to Church criticism, the government's response has been carefully restrained. The link between the Church and the dissidents has been generally ignored; instead the government has met some traditional Catholic demands. Thus, in May, 1977, after 20 years of stalling, the state permitted the completion of a church building in Nowa Huta, the largest "socialist town" in Poland with more than 100,000 inhabitants and no place of worship. Subsequently, permits were issued for 18 new churches in the Warsaw suburbs. The evolving truce in Church-state relations received symbolic recognition on October 29, when Gierek conferred with Cardinal Wyszynski—their first meeting since 1970—on "the most important problems of the nation and the Church, which are of great significance for the unity of the Poles in their work of shaping the prosperity of Poland."<sup>18</sup> Cardinal Wyszynski was also present in Rome when Gierek met with Pope Paul VI on December 1, 1977.

To a large extent, this appeasement-oriented approach to the opposition was a direct consequence of the leadership's effort to secure internal stability and to avoid large-scale political protest and disruption. Its acceptance, however, remained dependent on a reasonably high level of economic performance.

But economic difficulties continued throughout 1977; and in some areas, notably in agriculture and food supplies, they even intensified. Further decline in meat procurement was particularly serious. It fell during the first six months of 1977 by more than eight percent, in comparison with the previous year, which had also declined some ten percent from 1975. While this decline forced imports of about 150,000 tons of meat and lard in the first half of the year, market supplies were still some

26,000 tons, or three percent, below their 1976 levels.<sup>19</sup>

Additional problems were created by unusually bad weather conditions during the 1977 late summer harvest. Preliminary estimates indicate that, as a result of excessive rains and floods that inundated more than 350,000 acres of arable land, a harvest lower than the 1976 yield was expected in about half of Poland's 49 provinces.<sup>20</sup> During 1976, the harvest had declined by 3.4 percent from the preceding year.

### "NEW ECONOMIC MANEUVER"

To adjust its economic policies to the changing conditions, the party has formulated a series of initiatives aimed at an increase in production and improvement in market supplies. Officially described as a "new economic maneuver," these initiatives signaled a shift in emphasis from heavy industry to food production and the expansion of services. The rate of industrial investment declined during the first six months of 1977 from 32 percent to about 30 percent of the national income. Several projects were canceled or postponed. Industrial employment remained stable and the increase in real wages amounted to only 2.4 percent.<sup>21</sup> On the other hand, the outlays on agriculture, housing and consumer production increased considerably.

To stimulate agricultural production, the party offered substantial benefits to private farmers in exchange for their cooperation with government efforts toward economic stabilization. Proposed by Gierek in January, 1977, and accepted as government policy in October, the new initiatives toward farmers amounted to the permanent acceptance of private farm ownership and even the encouragement to more efficient farmers to expand their holdings by making it easier to purchase land and agricultural equipment. The government also established a farmer retirement plan, with pensions based on production records and sales to the state, designed to induce old farmers to sell or hand over their land either to the state or to other farmers.<sup>22</sup>

Since privately owned farms comprise about 75 percent of Poland's arable land, providing more than half the entire agricultural output and most of the meat production, this policy reflected economic rather than social considerations. Its political effect, however, has been the reversal of a long-standing party line that aimed at the gradual socialization of agriculture and the elimination of individual farms.

Similar measures to encourage private enterprise were extended to crafts, services and small retail trade. They included lowered tax rates, easier access to tools and machinery, and permission to calculate prices under the guidance of state authorities. The input of private small business in Poland's economy has been until now rather insignificant—in 1976 there were about 190,000 private craft and service establishments employing 373,000 people and 7,036 private shops accounting for less than one percent of total retail trade.<sup>23</sup> Thus the

<sup>18</sup>PAP (Polish Press Agency), October 29, 1977, in English.

<sup>19</sup>Premier Jaroszewicz's speech to the Sejm on June 30, 1977, as published in *Contemporary Poland*, no. 13, July, 1977, in English.

<sup>20</sup>Jaroszewicz's speech on August 8, 1977, as reported by *l'Humanité* (Paris), August 11, 1977.

<sup>21</sup>Report of the Central Statistical Office, *Contemporary Poland*, no. 15, August, 1977.

<sup>22</sup>See texts of speeches by Edward Gierek and Politburo member Kazimierz Barcikowski to the Central Committee meeting in *Trybuna ludu*, January 22-23, 1977; also Jaroszewicz's address to the Sejm, *Trybuna ludu*, October 28, 1977.

<sup>23</sup>*Trybuna ludu*, February 22, 1977.



new regulations seem to reflect "an attempt to awaken personal initiative, without which it is not possible to resolve current economic difficulties."<sup>24</sup>

While these apparent changes in the party's attitude toward private business may contribute toward a favorable economic climate, they cannot produce immediate results. Furthermore, given the party's traditional resistance to any permanent enhancement of the role of private enterprise in Poland's economy, popular suspicion about the new orientation is likely to continue. Any change will certainly be slow in coming; hence the prospect of economic improvement through the expansion of private business is only a very long-range possibility.

Aside from these changes, the main thrust of the "new economic maneuver" has been continuing reliance on foreign aid to stave off economic disaster. Just as imports and credits, particularly from Western countries, provided the main impetus to the government's initial strategy of rapid growth, so further imports were seen as necessary to maintain key investments in domestic industry and to satisfy the growing demands of the population. In the long run, however, reliance on foreign help could become a serious problem for a country with estimated debts to the West exceeding \$10 billion at the end of 1977 and a service rate between 20 and 30 percent.<sup>25</sup> As a further complication, export difficulties continued unabated, accounting for only 13 percent of overall national income instead of a planned 14.8 percent for the first six months of 1977.<sup>26</sup>

To improve her international trade relations, Poland has maintained a strongly cooperative posture toward the West, particularly toward West Europe. Several important high-level visits were exchanged in 1977, including Gierek's trips to France (September) and Italy (November-December) as well as a November visit to Poland by West German Chancellor Helmut Schmidt. In each case, trade and economic cooperation were the main topics of discussion.

In August, 1977, Poland received a two-billion mark credit from a consortium of West German banks, "the largest credit operation in the history of trade between Poland and the Federal Republic of Germany,"<sup>27</sup> to build a coal and gas liquefaction plant in cooperation with several West German companies. The loan is to

be paid back with chemical products based on gas over the next ten years.

## UNITED STATES-POLISH RELATIONS

Economic considerations have also been at the heart of Poland's relations with the United States. Although Poland received most-favored-nation status from the United States in 1960, commercial relations between the two countries reached a growing momentum only recently. Since 1970, the volume of Polish-American trade increased almost eightfold, from \$151 million in 1970 to \$1,182 million in 1976. This resulted in a persistently growing adverse balance of payments vis-à-vis the United States, which in 1976 alone amounted to a deficit of about \$570 million.<sup>28</sup> The situation improved somewhat during the first nine months of 1977; Polish exports to the United States increased by 11 percent, to \$231 million, and imports decreased by 40 percent, to \$351 million, in comparison with the previous year.<sup>29</sup>

The further development of economic relations between the two countries was the subject of a session of the joint United States-Polish Trade Council in Warsaw during November 30-December 2, 1977, which was attended by United States Secretary of Commerce Juanita Kreps. The discussion focused on Polish requests for credits toward the purchase of American grain and on ways to correct the existing trade imbalances. The United States delegates presented several draft agreements designed to facilitate direct business negotiation between American firms and Polish enterprises and trade agencies.<sup>30</sup> By the end of 1977, some 25 major American companies were operating in Poland, and the Warsaw government appeared to be interested in further expanding its links with the United States business community.

These talks paved the way for a credit arrangement, announced during President Jimmy Carter's 3-day visit to Warsaw in December, 1977, stipulating that the United States would extend to Poland a \$200 million loan for grain purchases. In addition to the \$300 million in agricultural credits already granted in November, this constituted substantial United States assistance for Poland. In return, the Polish government has apparently acceded to the United States request to ease restrictions on emigration from Poland to the United States.

The issue of emigration illustrates a potentially significant development. Because foreign aid is in-

(Continued on page 182)

---

**Jan B. de Weydenthal**, a visiting Fellow at the Hoover Institution on War, Revolution and Peace at Stanford University, has also taught at the College of William and Mary. He is author of *The Communists of Poland*, a history of the Communist movement in Poland, which will be published soon by the Hoover Institution Press, Stanford, California.

<sup>24</sup>Warsaw radio on November 9, 1977, as cited in *Radio Free Europe Research, Polish Situation Report*, December 2, 1977, p. 13.

<sup>25</sup>Eric Bourne in *Christian Science Monitor*, November 16, 1977, put the debt at \$12 billion; also Michael Getler in the *Washington Post*, October 30, 1977.

<sup>26</sup>*L'Humanité* (Paris), August 1, 1977.

<sup>27</sup>DPA from Hamburg, August 29, 1977.

<sup>28</sup>*Concise Statistical Yearbook of Poland 1977* (Warsaw, 1977), in English.

<sup>29</sup>PAP (Warsaw), December 2, 1977, in English.

<sup>30</sup>*Christian Science Monitor*, November 28, 1977; also *Warsaw radio*, December 2, 1977, 0001 GMT.

---

*"... Charter 77 and the denial of human rights in Czechoslovakia attracted worldwide attention. ..." And the "regime's countermeasures were counterproductive."*

## Czechoslovakia After Helsinki

BY EDWARD TABORSKY

*Professor of Government, University of Texas at Austin*

THE three principal recent political events in Czechoslovakia were the Fifteenth Congress of the Czechoslovak Communist party, the elections to the representative organs on federal, state and local levels, and the Charter 77. The party congress and the elections were rather uneventful and fitted well into the Soviet-ordained "normalization" process pursued so assiduously by Gustav Husák ever since he replaced Alexandr Dubček as the party's Secretary General in April, 1969. On the other hand, Charter 77 and the harsh reprisals taken against its signatories confirmed once again the hollowness of the Husák regime's oft-repeated claim that people were content that the reformist "aberration" of 1968 had been forgotten.

The Fifteenth Congress of the Czechoslovak Communist party in April, 1976, faithfully echoed the moderate-conservative approach advocated by Husák, confirming the expectations of many Western observers that Husák's position and his political leverage were enhanced by his assumption of the prestigious presidency of the Republic in May, 1975. This conviction seemed further corroborated by the fact that Husák's hard-line opponents, like Vasil Bilak and Alois Indra, were not included among those given the honor of addressing the Congress (though each of them chaired some sessions).

Predictably, Husák's main address to the Congress bristled with professions of loyalty to the Soviet Union, proletarian internationalism and other orthodox Marxist-Leninist shibboleths designed to please Soviet ears. The only novelty it conveyed was an announcement that party members who had been dropped from

the membership roster in the post-invasion purge of the early 1970's would be readmitted to the party, if they repented and proved their loyalty to the party and to the Soviet Union. However, this option was not offered to "active representatives of right-wing opposition," evidently including all those who still believed in the reformist movement of 1968. The prearranged election of the central party organs, the Central Committee, its Presidium, the Secretary General and other Secretaries, was smooth and uneventful. Husák was reelected as Secretary General and member of the Presidium, and so were all the other members except Ludvík Svoboda, the ex-President of the Republic, who was dropped for health reasons.

The satisfaction Husák and his associates derived from the smooth proceeding of their party congress was matched by the gratification they drew from the results of the October, 1976, elections to the Federal Assembly, the Czech and Slovak National Councils (the representative organs of the two member-states of the federation) and the people's committees (the local government organs) on all levels. Voter participation reached 99.7 percent and 99.94 to 99.98 percent of the votes were cast for the more than 198,000 candidates of the Communist-controlled National Front, the highest percentage ever registered.<sup>1</sup>

Results registered in elections in Communist-ruled countries are anything but a true reflection of what the voters really think of their regime. Moreover, unlike most of the Communist-controlled countries of East Europe, where voters are given a limited choice, the 1976 Czechoslovak ballots again contained only one candidate for each seat. Nonetheless, the outcome of the elections was hailed as a triumphant victory, credited to the "high degree of political consciousness" of the Czechoslovak people, and interpreted as a "pledge of active participation in a joint effort to achieve a happy and peaceful future" and as "full support for the program of the Fifteenth Party Congress."<sup>2</sup>

Thus Husák and his colleagues were very angry in January, 1977, when a group of Czechoslovak citizens

<sup>1</sup>The percentages of votes cast in favor of the regime's candidates in elections to Czechoslovakia's National and/or Federal Assembly since the Communist coup of 1948 were as follows: 1948, 89.25 percent; 1954, 97.99 percent; 1960, 99.94 percent; 1971, 99.81 percent; 1976, 99.97 percent. *Dokumentární přehled ČTK*, no. 39, September 22, 1976.

<sup>2</sup>Radio Prague, October 23, 1976, and Radio Bratislava, October 24, 1976.

of different political convictions, faiths and occupations issued a declaration indicting the Prague regime for its flagrant and continuous violations of fundamental human rights. The declaration charged that Czechoslovakia committed herself to respect those rights when she signed and ratified the twin international covenants on civil and political rights and on economic, social and cultural rights and when Gustav Husák signed the Final Act of the Helsinki Conference of 1975. After eight years of persistent "normalization," the Husák regime thought that its policy of reconciling people to their lowly political status by improving their living standards was paying off and that it could scale down the level of repression and thus improve its tarnished international image. The regime knew, of course, that some dissidents would occasionally attract foreign publicity. But it never imagined that Czech dissidents would organize a joint campaign of this kind, to bring together people of vastly different creeds, party affiliations and walks of life—intellectuals and workers, revisionist Communists and non-Communists, believers and atheists, young and old—in what the Charter characterizes as a "free, informal and open community" of people "linked by the desire to work individually and collectively for human and civil rights in Czechoslovakia and the world." All of a sudden, Husák's carefully cultivated myth of successful "normalization" exploded.

The Charter itself is a concise, soberly couched list of the rights supposedly granted to Czechoslovakia's citizens, including freedom from fear, freedom of speech, press, religion, privacy, movement, and emigration, the right to education without class discrimination, the right to seek, receive and impart information, the right to work in the field of one's chosen profession, coupled with a dispassionate description of the violations of those rights. The Charter was followed by additional statements (eleven of them by June, 1977) protesting the harassment and persecution of the Charter's signatories, providing further details of Czechoslovakia's miserable record in the observance of human rights, and suggesting ways to remedy the situation. The Charter was initially signed by 242 persons; in spite of the regime's

repressive countermeasures, their number rose to 750 by June, 1977.<sup>3</sup> They authorized three prominent co-signers to represent the Charter 77 "before the state and other organizations as well as before the public at home and in the world": a former philosophy professor at Prague's Charles University, Jan Patočka (who subsequently died after suffering extensive police interrogation); former Foreign Minister Jiří Hájek; and the well-known playwright, Václav Havel (who was forced to resign as the Chartists' spokesman after months of police detention).<sup>4</sup>

The three chartists who were chosen to deliver the text of the Charter to the Prime Minister, the Federal Assembly and the Czechoslovak News Agency were arrested by the police. The subsequent wave of harassment and repression was reminiscent of the methods of the Stalin era. A prolonged campaign of denunciation and defamation was unleashed against the chartists.<sup>5</sup> The signatories were subjected to prolonged and sometimes recurrent police interrogations; a number of them were arrested; some were forced into exile; some were tried and convicted on trumped-up charges of anti-state activities; and many were dismissed from their jobs, even from the menial positions to which they had been demoted during the post-invasion purges. Their apartments were searched and their correspondence and manuscripts confiscated. In an attempt to isolate them, police removed their telephones, seized the drivers' licenses of those owning automobiles and put many of them under round-the-clock surveillance.

To create the impression that the chartists had no popular support and that their actions aroused "a powerful wave of indignation among the working people in factories, agricultural cooperatives, in scientific institutions, among the representatives of the cultural front and in schools," the regime pressured sundry groups, by threats of job dismissal, to sign declarations condemning the activities of "such renegades and traitors" who had allowed themselves to be used as "an instrument of anti-humanist forces of imperialism."<sup>6</sup>

### REPRESSIVE COUNTERMEASURES

However, the harsh countermeasures taken against the chartists, especially their magnitude, intensity and viciousness, made matters worse for the regime, corroborating the accuracy of the chartists' complaints and the justness of their cause. Moreover, the timing of the Charter favored the chartists. The issuance of Charter 77 coincided with the new United States administration's intensified emphasis on human rights. The Belgrade Conference to review the implementation of the Final Act of Helsinki was to meet later in the year and Charter 77 and the state of human rights in Czechoslovakia were bound to figure on the Conference's agenda. The chartists could count on a sympathetic attitude and a measure of support for their cause from

<sup>3</sup>Among the signatories were: Professor Václav Cerný, noted literary historian; Dr. Milan Hübl, former head of the Party University; František Kriegel, former member of the party's Presidium; Zdeněk Mlynář, former Secretary of the party's Central Committee; former Lieutenant General Vilém Šacher, punished by Husák by being degraded to the rank of a private; Jaroslav Seifert, the outstanding poet and national artist; Josefa Slánská, wife of the Secretary General of the Czechoslovak Communist party, who was executed in 1952; Ludvík Vaculík, prominent writer and author of the famed *Two Thousand Words* manifesto of 1968.

<sup>4</sup>Havel was later sentenced to 14 months in jail. Although he resigned as spokesman for the chartists, he restated his continued allegiance to the Charter.

<sup>5</sup>*Rudé právo*, January 12, 1977, January 15, 1977, and January 25, 1977.

<sup>6</sup>*Tvorba*, no. 5, February 8, 1977.

several Communist parties in West Europe that had for some time been critical of the violations of human rights in the Soviet Union and in the Communist-ruled countries of East Europe.

As a result, Charter 77 and the denial of human rights in Czechoslovakia attracted worldwide attention. In January, 1977, the United States Department of State issued a statement accusing Czechoslovakia of violations of the Helsinki Declaration. Austria offered asylum to persecuted chartists. Committees for the support of the Charter and its signatories cropped up in various Western countries, and a great many organizations and internationally known personalities rose to their defense, as did spokesmen for several Communist parties in West Europe, in Italy, Spain, France, Belgium, Great Britain and one of the two Communist parties of Greece. Support for Charter 77 was even voiced by a small number of courageous Hungarian, Polish, Romanian and Soviet dissidents.

Thus the regime's countermeasures were counter-productive. Despite the vituperative campaign, the number of those daring to sign the Charter kept growing, and only one of the signatories could be persuaded to withdraw his signature. Many of those pressured to sign various government-sponsored declarations against the Charter refused to do so, claiming that they could not append their signatures to a document condemning something they had not had the opportunity to read. Most of those who signed because they feared reprisals against themselves or their families resented their humiliation and became even more embittered. Moreover, the regime's persecution of the chartists provided them with far more publicity, at home and abroad, than they would have otherwise attained.

Why, then, did the Husák regime act so severely? There were probably several reasons, including the regime's subservience to Moscow. "Do what the Soviets do or want you to do" had been the *sine qua non* of the Prague regime's survival in the post-invasion era. Hence, when the Soviet government countered with punitive measures, ranging from arrests to expulsions, to stop the attempts of the Soviet dissidents to monitor the Soviet implementation of the Helsinki Act, Husák and his collaborators felt duty bound to follow and, in fact, to act a little more harshly. In addition, they did not realize that their behavior would elicit such a potent and prolonged response on the part of the United States and the West and would lead to such widespread and determined support for the chartists' cause.

Still another reason was undoubtedly their fear that, if they were tolerant, the chartists might get out of hand and build up to another "Czechoslovak spring," although Charter 77 itself made no reference to the reform

movement of 1968. The fact that a substantial number of the so-called "bankrupt organizers of the 1968 counter-revolution"<sup>7</sup> were among the Charter's signatories only enhanced the regime's worries. Finally, Husák had a personal stake in the matter. As the Soviet-chosen chief architect of "normalization," he was bound to be held primarily responsible were it to go awry. Moreover, his moderate-conservative approach had always been considered too lenient by the hard-liners, who would surely take advantage of his failure and drop him should Moscow give the signal.

## THE ECONOMY

Steadily mounting economic difficulties have also bedeviled the Husák regime. When measured by its quantitative results, Czechoslovakia's economy has been performing well in recent years and is expected to continue to do so. The Sixth Five Year Plan for the Development of the National Economy, begun in 1976, reckons that by 1980 national income will rise by 27-29 percent (of which 91-93 percent is to result from stepped-up labor productivity), overall industrial production is to rise by 32-34 percent (with the output of engineering goods to increase by a whopping 48-51 percent, but consumer goods output only by 25 percent, construction by 35 percent, capital investments by 31 percent and agricultural production by 14-15 percent). Judging by the results attained thus far in the first two years of the plan (1976 and 1977), the growth rates are respectable.

However, the quantitative achievements have been robbed of some of their economic value by a number of defects. The quality of many products remains below par, and response to changing market needs continues to be slow, making it more and more difficult to sell goods in today's highly competitive foreign markets and thus contributing to Czechoslovakia's worsening balance of foreign trade. The performance of agriculture has been uneven and coveted self-sufficiency in food and grain has remained elusive.

Working morale and efficiency continue to be low and production costs are too high. Excessive centralization and bureaucratization stifle initiative. These problems have plagued Communist Czechoslovakia's economy for many years; to resolve them was one of the aims of the "economic revisionism" of the middle 1960's and a major goal of the abortive reform movement of 1968. But in the last few years, Czechoslovakia's economic problems have been greatly aggravated by the worldwide energy crisis and the rising costs of raw materials that have hit Czechoslovakia especially hard, because she has virtually no crude oil and natural gas of her own and is poor in mineral resources (other than coal).

At first the Husák regime claimed that Czechoslovakia was protected against the impact of the "capitalist" oil crisis and inflation by her advantageous long-term agreements with the Soviet Union. But by 1976,

<sup>7</sup>*Rudé právo*, January 12, 1977. Dubček himself was not asked to sign the Charter but it was reported that he supported it.



the regime felt that it could no longer conceal the seriousness of Czechoslovakia's economic woes. A growing concern was evident in the speeches delivered by Husák and Lubomír Štrougal, the country's Premier, at the Fifteenth Party Congress in April, 1976, when the two party leaders complained of the shortcomings of their country's economy.

The gravity of the situation was further underlined at the plenary session of the party's Central Committee in September, 1976, which received Štrougal's exhaustive 50-page report bristling with sharp criticism of Czechoslovakia's economic performance, especially in the engineering industry, metallurgy, construction and agriculture, and warning that "managers who did not understand the present requirement had to go." That the warning was not idle talk was underscored by the dismissal, immediately after the Central Committee's session, of three Cabinet members with top supervisory functions over some of the ailing segments of the economy: the Deputy Premiers František Hamouz and Jan Gregor, and the Minister of Agriculture and Nutrition, Bohuslav Večera. Similar warnings, pleadings and exhortations have become a recurrent theme of party spokesmen.<sup>8</sup>

To remedy the situation, the number of work days is to be increased by five in 1978, the differentiation of wages and salaries is to be pushed more energetically as to reflect the quality of work, transition from liquid to solid fuels is to be speeded up, the goal of self-sufficiency in food and grain production and, above all, the much-needed modernization of the economy's aging base are to be pursued more vigorously. But in their effort to improve economic performance, Husák and his associates face a dilemma. To modernize the economy so that it is capable of turning out high-quality products saleable at a good profit in exacting foreign markets, Czechoslovakia must import sophisticated Western technology. But how can she purchase this technology when she has difficulty in earning enough hard currency to do so, because her factories lack the sophisticated equipment and machinery that can only be bought for hard currency in the West? The problem is further compounded by the Soviet Union's growing unwillingness to increase deliveries of crude oil, thus forcing Czechoslovakia to spend scarce hard currency on additional purchases of oil elsewhere, and by Czechoslovakia's continued inability to attain self-sufficiency in grain and food production, an inability that forces her to buy grain on Western markets whenever the Soviet Union has a poor harvest. Moreover, as Štrougal admitted in a September, 1977, speech on the energy problem, Czechoslovakia's shift to solid fuels is com-

plicated by the fact that hitherto untapped coal reserves are less accessible and of lower quality.<sup>9</sup> Thus the regime seems to be locked in a vicious circle.

## FOREIGN RELATIONS

Charter 77 and mounting economic difficulties have also left their imprint on Czechoslovakia's foreign relations. To escape from the vicious economic circle, Czechoslovakia has been trying to conclude advantageous trade and credit agreements with the economically advanced countries, to gain access to Western technology. Thus, in 1974-1975, the Husák regime began to try to improve Czechoslovakia's international image. But at least for the time being, its heavy-handed reprisals against the chartists undid whatever limited success it had attained.

The primary determinant of Czechoslovakia's foreign relations is the Husák regime's subservience to the Kremlin. An updated version of a joke from the Stalin era characterizes this relationship accurately: Brezhnev phones Husák while the latter is in conference with Štrougal. The "conversation" lasts about one hour, and all that Husák says is *da, da, da* (yes, yes, yes). But just before putting down the receiver, he answers with an *oh, nyet* (oh, no). When Štrougal asks him what was the last question, Husák explains: "Oh, he asked me whether I was not tired of saying *da* all the time."

Indeed, the Husák regime can boast of a flawless record of parroting the Soviet line to the last iota, in the United Nations, at the 1976 conference of the European Communist parties, at the 1977 Belgrade conference on the implementation of the Helsinki Declaration. Czech spokesmen and scribes repeat the Kremlin's condemnations of Eurocommunism, its emphasis on proletarian internationalism and the necessity of the dictatorship of the proletariat, its insistence on the right and duty of Communist countries to protect socialist achievements in other Communist countries (i.e., the so-called Brezhnev doctrine). The Czechoslovak media welcomed the new Soviet constitution with superlatives, hailing it as "a codex of world socialism," "a model for the building of a developed socialist society" and

(Continued on page 183)

---

**Edward Taborsky** was Czechoslovakia's Ambassador to Sweden before his arrival in the United States in 1949. During World War II he served as personal aide to President Edvard Beneš of Czechoslovakia. He has taught at Charles University of Prague, the University of Stockholm, Ohio State University and the University of Tennessee, and is the author of nine books, including *Communism in Czechoslovakia: 1948-1960* (Princeton: Princeton University Press, 1961) and *Communist Penetration of the Third World* (New York: Robert Speller and Sons, 1973). He is currently finishing a book on *President Edvard Beneš between the East and the West, 1938-1948*.

<sup>8</sup>The chairman of the State Planning Committee, Václav Hůla, also voiced criticism in his economic report to the party's Presidium published in *Rudé právo* on December 2, 1977.

<sup>9</sup>*Rudé právo*, September 3, 1977.

---

*"In the last 20 years, Romania has been able to modify many of the economic, political and ideological bonds imposed by the Soviet Union after World War II; her leaders have achieved a level of autonomous international activism unprecedented for an East European bloc state."*

## Romania: The Politics of Autonomy

BY ROBERT L. FARLOW

*Fellow, Council on Foreign Relations*

FOR almost 20 years Romania has been something of a paradox.<sup>1</sup> Politically, Romania is among the most rigid and restrictive of Communist states, but she is also among the most nationalistic. Economically, Romania has one of the highest industrial growth rates in the world, yet she has one of the lowest standards of living in Europe. Externally, Communist Romania is a member of the Soviet bloc, including the Council for Mutual Economic Assistance (CMEA) and the Warsaw Pact, but in foreign policy she often acts independently of her allies—and has managed to get away with it. These paradoxes spring from the Romanian Communist party's (RCP) almost obsessive pursuit of two objectives—economic development and political autonomy. In both areas there have been considerable achievements as well as problems.

Romania is one of the most authoritarian and nationalistic states in East Europe. In some ways, the RCP is very much a Leninist-type party. It is hierarchical and centralized and operates according to "democratic centralism." But within this structure, political power has tended to be personalized and is centered today in one person, Nicolae Ceausescu.<sup>2</sup> He holds nearly all major positions and concomitant titles and is secretary general of the RCP, President of the Republic and supreme commander. While the RCP dominates the society, Ceausescu dominates the RCP.

<sup>1</sup>An analysis of earlier developments is found in Ghita Ionescu, *Communism in Rumania, 1944-1962* (London: Oxford University Press, 1964).

<sup>2</sup>For a provocative discussion of the RCP's evolution since 1945 see Kenneth Jowitt, *Revolutionary Breakthroughs and National Development: The Case of Romania* (Berkeley: University of California Press, 1971).

<sup>3</sup>An elaboration of the nature of Ceausescu's political style is found in Trond Gilberg, "Ceausescu's Romania," *Problems of Communism*, vol. 23, no. 4 (July-August, 1974), pp. 29-43.

<sup>4</sup>Trond Gilberg, *Modernization in Romania since World War II* (New York: Praeger Publishers, 1975).

<sup>5</sup>Robert R. King, "Ideological Mobilization in Romania," Radio Free Europe Research, Romania, Background Report (February 21, 1975).

This personalization of power echoes Romania's feudal and monarchical past; thus a "personality cult" has been developed around Ceausescu in recent years.<sup>3</sup> Even personnel in the uppermost decision-making bodies—the Political Executive Committee and the Permanent Bureau—defer to Ceausescu's primacy and apparently do not represent a political challenge.

Ceausescu, however, has exercised his power in the context of nationalistic appeals. Continuing the process of "Romanianization" begun by his predecessor, Gheorghe Gheorghiu-Dej, Ceausescu has stressed the preeminence of the nation, its Latin origins and its historical achievements and has tried to link the RCP to all that is regarded as noble in Romania's pre-Communist period. In the wake of Soviet controls in the 1950's, the combination of nationalistic stances and an independent foreign policy generated a degree of popular support for Ceausescu and the party that peaked in the late 1960's after Romania's condemnation of the Czechoslovakian invasion.

This political setting helped to mobilize the population for rapid industrialization or, as the regime calls it, a "multilaterally developed socialist society."<sup>4</sup> The psychic rewards of nationalism and independence were kept high and material rewards were kept low so that one-third of the national income could be diverted into industrial development. The regime argued that only such a policy could overcome Romania's backward, agrarian past. As a result, from the 1960's on, Romania achieved one of the highest industrial growth rates in the world and one of the lowest standards of living in Europe.

During the 1970's the problems of development became more complex. Ceausescu turned more and more to ideological campaigns designed to eradicate retrograde "bourgeois" attitudes and to stimulate the values and commitment to modernization that must characterize the "new socialist man."<sup>5</sup> Both the party and the population were called upon to "fulfill and overfulfill" economic directives. Education was tied more closely to the needs of production. Party cadres

were given more ideological training and were rotated from job to job to develop diverse expertise. Intellectual and artistic expression was constricted to areas that dealt with the national heritage or socialist development. Thus the 1970's saw an intensification of the drive for development, based on an increasingly ideological mobilization.

In earlier years, the populace had more or less gone along with the RCP's domestic course. But events in 1977 suggested that the regime could no longer count on a quiescent citizenry. Some groups were growing increasingly dissatisfied with the heavy hand of the party, bureaucratic ineptitude and the unabated emphasis on the priority of industrialization.<sup>6</sup>

A political dissident movement—the first in Romania—emerged in February, 1977, and gathered a small following. Led by Romanian author Paul Goma and organized around an “open letter” to the Belgrade meeting of the Conference on Security and Cooperation in Europe (CSCE), the dissidents were protesting “human rights” violations.<sup>7</sup> Ceausescu reacted vehemently to the dissidents, calling them “traitors,” but behind the scenes the regime applied a skillful mixture of concession and coercion by expatriating and/or harassing the signers. The movement, which had drawn support from alienated Romanian intellectuals, Romanian Baptists and those seeking a passport to the West, lost momentum and soon dissipated. Goma himself departed for Paris in November, but left behind the precedent of political protest.

What amounted to the first known riot in Communist Romania occurred in Bucharest on June 13, 1977, when the overbooking of a concert in the city's major stadium so provoked those who were unable to obtain seats that they stormed the stadium, ripped down political propaganda and clashed with police.<sup>8</sup> Some Bucharest officials were dismissed for misfeasance, but scapegoating did not go to the heart of the ineptness that characterizes the management of daily affairs.

The first organized working class strike and demonstrations—the miners' strike—occurred in early August, 1977, and unrest continued into the late fall.<sup>9</sup> Workers in Bucharest, Braila, and Tirgu-Mures

reportedly followed the miners' lead and engaged in work slowdowns or stoppages.<sup>10</sup> Prompted by a revision of the pension law that applied more restrictive formulae than had previously been the case, the miners' strike soon turned into a demonstration protesting the low standard of living and poor working conditions.

Ceausescu himself was forced to visit the Jiu Valley mining area after his top-level emissaries were unable to placate the miners. After his visit, the regime re-instituted the “carrot and stick” tactics that had worked so well on the political dissidents. Initially, some concessions were made, including the revision of secondary aspects of the pension law, a five percent wage increase for the miners, and reorganization of the mines' management. But shortly thereafter sanctions were applied. Protest leaders were transferred to other jobs; wages were docked for nonfulfillment of production goals; and military/security personnel were sent into the valley. Thus the regime was able to contain the situation, but there was unhappiness over the crackdown.

Cumulatively these three events—the dissident movement, the stadium riot, and the miners' strike—were significant indicators of Romania's sociopolitical transformation into a more heterogeneous and dynamic society. Increasing urbanization, education and communication are giving the citizenry more sophistication. Romanians are less willing to postpone material gratifications for a future socialist utopia. Workers, in particular, are no longer isolated and transplanted peasants but are beginning to take on the attitudes and group consciousness usually associated with a modern working class.

Whether Ceausescu and the RCP fully understand this emerging situation is not clear. The strategy that Ceausescu has devised to deal with it does not portend any fundamental policy shifts. Indeed, at the RCP's national conference, December 7-9, 1977, Ceausescu reaffirmed the priority of rapid industrialization through 1985.<sup>11</sup> But his handling of the dissidents and the miners indicates that he intends to deal with unrest by making concessions on secondary issues while applying sanctions to buy off and intimidate those who challenge the official order. At the same time, he is emphasizing an expansion of “workers' democracy” by promising more responsibility to local workers' councils and by bringing more workers into party-state leadership bodies.

This maneuvering should maintain Ceausescu's political position and policy priorities. But because he will not deal with the underlying issues causing unrest, his rule will be made more difficult, and he will have to devote more attention to domestic matters.

## ECONOMIC DEVELOPMENTS

Despite major damage caused by the earthquake that hit Romania on March 3, 1977—1,570 killed, 11,300 injured, and \$2 billion in damages—Ceausescu was

<sup>6</sup>Discussion of developments in 1977 is drawn from my chapter on “Romania” in *The Yearbook on International Communist Affairs-1978* (Stanford, Calif.: Hoover Institution Press, 1978).

<sup>7</sup>*The New York Times*, February 15, 1977.

<sup>8</sup>Only the bare outlines of this event have appeared in Western press reports.

<sup>9</sup>*The New York Times*, November 27, 1977, contains an excellent account of the strike and its aftermath.

<sup>10</sup>Reuter (Bucharest), December 26, 1977.

<sup>11</sup>Ceausescu's opening speech to the conference provides a useful overview of current domestic and foreign policies. See *Scinteia*, December 8, 1977, translated in Foreign Broadcast Information Service, *Daily Report-Eastern Europe* (December 8, 1977), pp. H 1-36.

able to report to the national conference in December that the 1976-1980 economic plan was still intact. Industrial production, planned to grow at 10 percent a year, averaged 11.6 percent in 1976-1977. Agricultural production averaged 9 percent and light industry, 11.8 percent. Some areas did not meet planned goals—investments, foreign trade and certain agricultural and industrial sectors—but Ceausescu asserted that all aspects of the plan would be fulfilled in the remaining three years. Projecting guidelines for 1980-1985, he reaffirmed the priority of industrialization and predicted that "Romania will leave the stage of a developing country . . . and will pass to the stage of a country of average development."

The economic directions established in the early 1960's will be maintained.<sup>12</sup> But at the conference Ceausescu emphasized the need to pay more attention to qualitative factors affecting economic growth, like efficiency, research innovations, conservation, and productivity, indicating that the extensive developmental approach of the past, facilitated by a low living standard, must give way to a more intensive, qualitative approach.<sup>13</sup> The labor pool in the countryside has been depleted. Some raw materials, like oil, are no longer so plentiful.

At the same time, the price of imported raw materials is skyrocketing. And Romania has accumulated a considerable foreign trade debt to the West. It was estimated at \$3.3 billion in 1976, with a debt service of some 43 percent of hard currency export earnings, so that sophisticated Western technology imports will have to be limited.<sup>14</sup> Since Romanian industrial products are

still not competitive in the West, Romania will have to find markets in the third world; otherwise the Soviet Union and CMEA will become more and more important to Romanian trade—a factor not conducive to independence.<sup>15</sup>

Many gross statistics on Romanian development are impressive. But they will be increasingly difficult to sustain, partly because intensive development requires the qualitative inputs of a skilled society and a co-operative working force. In this latter area, the August events in the Jiu Valley strike a potentially ominous note. The miners constitute only a small part of the Romanian working class, but they are vital to key economic goals. Given the decreasing supply of domestic oil and the increasing cost of foreign oil, plans have been made to shift from oil to coal for electric power generation; thus domestic coal production is scheduled to double between 1975 and 1980. Failure in this area will have negative reverberations throughout the economy. For this reason, workers' unrest is appearing at a critical juncture.

The RCP has long believed that only an industrialized and economically active Romania can provide an economic base not easily susceptible to Soviet control. Trade was thus reoriented from the CMEA states to the West and the third world. Trade with the Soviet bloc decreased from 72 percent in 1958 to 37.5 percent in 1975, while trade with the West increased from 17 percent to 38 percent. But because of annual trade deficits and balance of payments problems with the West, a major effort has been made to find markets in the third world, where Romania hopes to trade her manufactured products for raw materials. Trade with the third world rose from 8 percent in 1970 to 15.5 percent in 1975, but the extent to which this has compensated for problems of trading with the West is unclear. Generally, less developed countries prefer to sell their raw materials for hard currency, and hard currency is what Romania lacks. While Bucharest's expertise in oil-producing equipment may give it an advantage in certain countries, the third world economic connection is going to be difficult to develop.

Having said all this, the fact remains that Romania is not yet in a state of economic crisis, and her foreign trade debt has not reached the proportions that have helped to push Poland to the brink of economic upheaval. Romania has achieved rapid development and a greater degree of disengagement from Soviet economic control than any other bloc state.<sup>16</sup> Her economic future depends on her population, the extent of future Western credits and general international economic conditions.

The story of Romania's emergence from the status of subservient satellite to bloc maverick has been told before.<sup>17</sup> Regarding herself as a "socialist, developing, European state," Romania has remained a member of the Soviet-East European bloc, but she has also established ties with the West, the third world and other

<sup>12</sup>A brilliant analysis of earlier economic evolution is found in John Michael Montias, *Economic Development in Communist Rumania* (Cambridge: MIT Press, 1967).

<sup>13</sup>For current economic problems and prospects see Marvin R. Jackson, "Industrialization, Trade and Mobilization in Romania's Drive for Economic Independence," in Joint Economic Committee, United States Congress, *East European Economies Post-Helsinki* (Washington, D.C.: U.S. Government Printing Office, 1977), pp. 886-940.

<sup>14</sup>Joan Parpart Zoeter, "Eastern Europe: The Growing Hard Currency Debt," in *ibid.*, p. 1357. An excellent companion piece is Richard Portes, "East Europe's Debt to the West: Interdependence Is a Two-Way Street," *Foreign Affairs*, vol. 55, no. 4 (July, 1977), pp. 751-782.

<sup>15</sup>Discussed further in Cal Clark and Robert L. Farlow, *Comparative Patterns of Foreign Policy and Trade: The Communist Balkans in International Politics* (Bloomington, Ind.: International Development Research Center, Indiana University, 1976), Ch. 5.

<sup>16</sup>For a comparative analysis of East European economic dependence on the Soviet Union see Donna Bahry and Cal Clark, "A Dependence Theory of Soviet-East European Relations: Theory and Empirical Testing," paper presented at the Conference on Integration in Eastern Europe and East-West Trade, Bloomington, Indiana, October 28-31, 1976.

<sup>17</sup>One of the best accounts of the nature and determinants of Romanian foreign policy is Jacques Levesque, *Le Conflict Sino-Sovietique et l'Europe de l'Est* (Montreal: Les Presses de l'Université de Montreal, 1970).



independent Communist states and parties, in order to be able to pursue autonomous policies protective of national interests. Romania's position of party-state independence, which was proclaimed in 1964, is based on a mix of bloc cooperation and deviation designed to expand, in time, the boundaries of independent action. Relations with non-bloc states and groupings provide an economic and political counter (and alternative) to excessive dependence on Soviet-East European states and organizations. Tactically and strategically, Romanian foreign policy involves a complex "balancing act" that is unprecedented within the bloc.

The regional emphasis and the particular mix of cooperation and deviation have varied as internal and external circumstances changed. In the 1960's, Romania was a precursor of détente with the West, especially Europe, seeking political and economic support before Moscow adopted more positive relations with the West. Romania's establishment of diplomatic relations with Bonn in 1967, in which she broke ranks with the bloc, and President Richard Nixon's visit to Bucharest in 1969, the first by a United States President to East Europe, symbolized the evolving Romanian-Western connection. Romania was also advancing her trade with the West and, in addition, joined the major Western financial institutions—the International Monetary Fund, the World Bank, and the General Agreement on Trade and Tariffs. While pursuing this opening to the West, Bucharest resisted what it saw as the more negative bloc policy positions, opposing Soviet proposals for the supranational economic integration of East Europe, resisting the use of the Warsaw Pact for political coordination, maintaining active relations with the People's Republic of China, Yugoslavia and Albania, condemning the invasion of Czechoslovakia, and establishing diplomatic relations with Israel after 1967.<sup>18</sup> Romania also criticized Soviet party-state hegemony; witness Ceausescu's assertion in 1969 that:

by the world socialist system we understand not a bloc in which the states are fused into a whole, giving up their national sovereignty, but the assertion of socialism as an

international force by its victory in several independent states which develop independently. . . .<sup>19</sup>

The unfolding of détente in the 1970's tended to make the Romanian foreign policy position less distinctive, although Romania's relations with the West continued to be friendlier than those of her formal allies. This very advantaged position also generated problems, particularly in the area of trade deficits. Economic relations with the West were compounded by the recession of the 1970's, which was heightened by the oil embargo and price escalation. This recession contributed to shifting Romania's foreign policy emphasis from a "European" to a "developing" identity. In the 1970's, Romania began to give increasing attention to the third world and, in a moderate way, to CMEA.<sup>20</sup> Moscow's signing of the CSCE Final Act in Helsinki, which stressed the inviolability of state sovereignty, and its signing of the 1976 Berlin conference of Communist parties' document, which upheld the principles of party autonomy and equality, improved Romanian-Soviet relations. This was symbolized by Soviet President Leonid Brezhnev's visit to Bucharest in November, 1976.

The foreign policy focus of the 1970's, however, was on the third world, especially on Africa and the Middle East.<sup>21</sup> Ceausescu endorsed the less developed states' demand for a new, more egalitarian, political and economic international order, and Romania's trade with these states improved considerably. Romania was given permanent "guest" status at nonaligned meetings—something of an anomaly for a Warsaw Pact state—and was admitted to the "Group of 77." Ceausescu traveled extensively throughout the third world, sounding more like a third world than an East European leader. The RCP explained that this involvement with the non-aligned and developing world was not in conflict with membership in a military alliance because the key point was not bloc membership but international behavior.<sup>22</sup>

As this opening to the less developed states unfolded, Romania did not neglect the West or the other independent Communist states and parties. The balancing act continued during 1977. The first half of the year saw a

(Continued on page 185)

<sup>18</sup>These developments are analyzed in Robert L. Farlow, "Romanian Foreign Policy: A Case of Partial Alignment," *Problems of Communism*, vol. 20 (November-December, 1971), pp. 54-63; and F. Stephen Larrabee, "Rumanian Challenge to Soviet Hegemony," *Orbis*, vol. 17 (Spring, 1973), pp. 227-246.

<sup>19</sup>Nicolae Ceausescu, *Report at the 10th Congress of the Romanian Communist Party*, August 6, 1969 (Bucharest: Argpres, 1969), pp. 107-108.

<sup>20</sup>Romanian foreign policy in the early 1970's is discussed in Robert R. King, "Autonomy and Détente: The Problems of Romanian Foreign Policy," *Survey*, vol. 20 (1974), pp. 105-120.

<sup>21</sup>George Cioranescu, "Rumania and the Nonaligned Countries," *Radio Free Europe Research*, Rumania, Background Report (August 4, 1976).

<sup>22</sup>*Scinteia*, August 28, 1975.

---

**Robert L. Farlow** is coauthor of *Comparative Patterns of Foreign Policy and Trade: The Communist Balkans in International Politics* (Bloomington, Ind.: International Development Research Center, Indiana University, 1976) and has contributed to several books and journals. His most recent publication is a chapter on "Romania" for the *Yearbook on International Communist Affairs, 1978* (Stanford, Calif.: Hoover Institution, 1978). Currently on leave from Muskingum College (New Concord, Ohio), he is spending his Council on Foreign Relations fellowship year in Washington, D.C., where he is analyzing United States foreign policy and the Communist Balkans.

---

*"In the late 1970's, the GDR faces uncertainties. In domestic politics, there is a spectacular but small group of intellectuals who have made life difficult for the party functionaries. . . . The economy remains relatively sound and prosperous, although it might improve under less restrictive policies. In foreign affairs, East Germany remains the loyal ally of the Soviet Union."*

## The German Democratic Republic

BY ARTHUR M. HANHARDT, JR.

*Professor of Political Science, University of Oregon*

THE German Democratic Republic (East Germany, GDR) was recognized by the United States in September, 1974. Since then, relatively little has appeared in the United States media about the GDR and its role in international politics beyond reports of brutalities along the Berlin Wall and the inter-German border.<sup>1</sup>

During the spring of 1976, the major political topic in the official press, at meetings of the Socialist Unity party of Germany (SED), the other parties of the National Front and the mass organizations was the Ninth Congress of the SED scheduled for May. These discussions centered on three topics: preparations for the party congress itself, the draft SED program, and the new party statute.

Much of the rhythm of political life in East Germany is determined by periodic party congresses.<sup>2</sup> The Ninth Congress differed from earlier meetings in at least two respects. It was clearly intended to consolidate the leadership of Erich Honecker, who had replaced an aging Walter Ulbricht shortly before the Eighth Party Congress in 1971. In addition, the Ninth Congress had a symbolic focus in the construction of the "Palace of the Republic" in Berlin. This mammoth building on Marx-Engels square is a monolith of glass and concrete symbolizing the permanence of the SED. In the name of the completed palace and the Ninth Congress, countless pledges to oversubscribe economic plans were

offered to kindle and maintain a focused political enthusiasm. The mood of the time was upbeat.

The draft of the new SED party program was first published in the January 16, 1976, edition of *Neues Deutschland*, the official SED newspaper. Preparations for the new program, an overdue revision of the 1963 program, had been under way for four years. Perhaps to the surprise of many within and outside of the SED, a lively debate over issues raised by the program was carried on right up to the opening of the congress. Literally thousands of suggestions for changes in the program were submitted during the public debate.

The final version of the program reflected a number of significant alterations. For example, the revised program recognized private enterprise in the service sector of the economy as a necessary element in the fulfillment of state economic plans. In contrast to the original draft, the final program also asserted the equality of all citizens regardless of philosophical orientation, religious belief or social status. In assessing the 1976 program, one must agree with the contention of Peter Christian Ludz that the SED was trying to reach beyond the party faithful to broaden the appeal of the SED.<sup>3</sup>

The new party statute gave the party an opportunity to examine itself in the light of developments since the 1971 party congress. Important in this respect is the fact that Honecker took special note of the relative size of the party membership. With 1,914,382 full members and 129,315 candidate members, the SED represents a relatively large proportion of the total population of about 17 million. Honecker made it clear that without raising the total number of party members the party was to concentrate on further developing its class composition based on Leninist principles.<sup>4</sup>

Shortly after the Ninth Party Congress ended, the long-awaited Conference of European Communist and Workers Parties met in East Berlin. Although it was international in scope, the conference had domestic

---

<sup>1</sup>For a brief overview of the development of the GDR see my "The German Democratic Republic" in T. Rakowski-Harmstone and Andrew Gyorgy, eds., *Government and Politics of Eastern Europe* (Bloomington: Indiana University Press, forthcoming).

<sup>2</sup>See Henry Krisch, "The German Democratic Republic in the Mid-1970's," *Current History*, March, 1976, pp. 119-22ff.

<sup>3</sup>Peter Christian Ludz, *Die DDR zwischen Ost und West* (Munich: Beck, 1977), pp. 176-79.

<sup>4</sup>*Neues Deutschland*, May 19, 1976.

implications for the SED, including the Eurocommunism debate and the contest over the leadership role of the Communist party of the Soviet Union (CPSU).

The SED has long been counted among the most orthodox Communist parties. As the westernmost ruling party, the SED has felt embattled in its competition with the Federal Republic of Germany (FRG) and the capitalist West. What some have termed a "front line mentality" in ideological conflict has expressed itself in painstaking efforts to interpret Marxist-Leninist doctrine correctly. This has led to repeated clashes with the more liberal parties of the Soviet bloc and has involved the SED in a struggle with the Communist parties of Italy, France and Spain.

Mutual suspicion among the various Communist parties was so deep-seated that before the conference the SED had to guarantee that the speeches of all participants would be published unedited in *Neues Deutschland*. The SED went a step further and placed Enrico Berlinguer's photo on page one of the conference-welcoming edition of *Neues Deutschland*, in a symbolic gesture of conciliation.<sup>5</sup> Atmospherics notwithstanding, before and after the conference the party press inveighed heavily against all forms of Eurocommunism.

There has never been any doubt about the relationship between the SED and the Soviet Union. The bond between East Germany and the Soviet Union is affirmed in their 1975 friendship treaty and in the revised GDR constitution of 1974. The leadership of the CPSU, which was debated at the Berlin conference, has never been seriously challenged by the party leadership.

It is difficult to draw a direct connection between the diverse ideas discussed at the Berlin conference and recent problems of the SED in asserting its orthodoxy vis-à-vis critics inside East Germany. Yet in a number of cases of "dissent" in the past 18 months, ranging from the Biermann affair of 1976 to the recently published—and somewhat questionable—manifesto of a "Federation of Democratic German Communists," the party leadership has dealt harshly with criticism.

The case of Wolf Biermann exemplifies the SED's domestic political problems. Wolf Biermann is a Communist who years ago moved from capitalist West Germany to socialist East Germany, where he thought he would feel more at home. Biermann's ballads and poems were immensely popular in both Germanys, especially among young people. Biermann did not spare the GDR from his sometimes acid criticism. But when he challenged party doctrine and the inhumanity of the state bureaucracy, he was chastised by the SED and was

denied permission to make any public appearances.

In November, 1976, Wolf Biermann was granted an exit permit to give a series of concerts in West Germany. Authorities used the occasion to withdraw his citizenship and deny him reentry into East Germany. East German artists and literary figures defended Biermann in a statement that held that the SED had to tolerate even uncomfortable comrades. Those who supported Biermann were placed under extreme pressure by the SED and some later distanced themselves from Biermann's case. The world-famous author Christa Wolf was also disciplined by the SED. Others joined what has become an exodus of East German cultural figures.

The unrest among East German intellectuals must be seen in terms of two domestic trends. Intellectual debate in East Germany focuses on socialist interpretations that deviate from the SED party line. The party, for example, accused Wolf Biermann of playing into the hands of the imperialists by lending support to those who would separate East Germany from the Soviet Union. Biermann and others maintain that their criticisms of the party and state were not meant as anti-Communist dissent, but rather as part of a self-corrective debate to preserve and develop the political vitality of socialism in the GDR. Repeatedly, Honecker's words of 1971 are cited: "If one proceeds from the firm basis of socialism, there cannot, in my opinion, be any taboos in the fields of art and literature."<sup>6</sup>

For its part, the public has shown little interest or involvement in the debate among the GDR intellectuals, whose protest has not carried over to the masses. There are good reasons for this lack of popular involvement, including the East German standard of living. The most prosperous country of the Soviet bloc, the GDR boasts a standard of living that may be higher than that of the Soviet Union. The material well-being of the citizenry, combined with a comprehensive welfare state, an excellent educational system, and a growing variety of good quality consumer goods, provide little in the way of popular dissatisfaction, especially when the debate tends to involve issues that seem only distantly related to daily concerns. This is not to say that all is sweetness and light in the GDR, nor should this assessment be interpreted to mean complete public satisfaction. However, as long as the debate takes place on abstract levels and outside the GDR, there is little opportunity for ordinary people to become involved.

A further factor that has kept the debate "in line" is political socialization through the education system. In 1979, the GDR will celebrate its thirtieth anniversary. During this time, the educational system has been training East German students according to the precepts of the "socialist personality." Although the success of this effort is difficult to assess, the impact has been clearly in the direction of inculcating values in accord with party goals and leadership. The educational system<sup>7</sup> has accentuated the positive in the GDR, creating an

<sup>5</sup>*Neues Deutschland*, June 29, 1976.

<sup>6</sup>Harald Kleinschmid, "Kulturpolitik der Widersprüche" in *Deutschland Archiv*, vol. 10, no. 6 (June, 1977), p. 568.

<sup>7</sup>A. M. Hanhardt, Jr., "Political Socialization: The German Democratic Republic" in Ivan Volgyes, ed., *Political Socialization in Eastern Europe* (New York: Praeger, 1975), pp. 66-91.

atmosphere in which manifestations of protest are rather quickly forgotten.

The manifesto of the "Federation of Democratic German Communists" is the most recent protest inside the GDR. Published in West Germany by *Der Spiegel* in January, 1977, the manifesto is allegedly the work of persons inside the councils of the SED. The author(s) is critical of the Honecker leadership, expresses sentiments for German reunification and is also critical of the ties between the GDR and the Soviet Union. Other SED taboos are also discussed, including pluralism in the Communist movement and friendly relations with despised Social Democrats.

The reaction of the GDR leadership to the publication of the manifesto was pained outrage. The SED holds that the document is a forgery and that its appearance in a leading West German journal is an unfriendly, indeed hostile, act aimed at undermining the GDR. Regardless of the authenticity of the manifesto, it is clear that its ideas resemble those of other "protesters." The SED response also indicates that a raw nerve was painfully exposed. In fact, the SED reaction went beyond propaganda to direct action. The office of *Der Spiegel* in East Berlin was closed and its staff was expelled.

Domestic politics in the GDR, while quiet at the base (the masses, the mass organizations, the SED and the parties of the National Front), contains elements of dissent that should not be underestimated. Only a few examples have been introduced in this discussion. Should the continuing debate carry over to the public, the SED could find itself facing an imposing threat.

### THE ECONOMY

Perhaps the most sensitive area in East Germany is the economy. East Germany is a small country, with a population of about 17 million, an area equal to that of Tennessee, and few natural resources beyond the salts that supply the chemical industry. Thus the German Democratic Republic is dependent to a very large extent on external suppliers for raw materials and, as lignite reserves run out, for energy.

The economy of the GDR has been based on the processing of raw materials into high quality finished products for export. Over the years, the GDR has become an important element in the Council for Mutual Economic Assistance (CMEA) and is the Soviet Union's most important single trading partner. Much is made of the fact that the GDR has worked its way into that exclusive circle of the "top ten" industrial nations of the world. The high living standard has made it the envy of other Soviet bloc countries and has been a vital factor in securing internal political stability.

Unemployment and inflation, the twin terrors of the German historical past and the West European present, are not yet significant factors in the GDR. Instead, labor shortages have been a chronic problem. The loss

of more than 2.5 million people between 1949 and August 13, 1961, bled off a considerable proportion of people in the productive age groups. Although the population is nearing a "normal" age distribution, the GDR has employed a large percentage of its women. Just under 50 percent of the labor force is female and 85 percent of all women of working age are either employed or under apprenticeship. That there is more work than workers is comforting, particularly because unemployment elsewhere is a constant theme.

Inflation is more problematical. Since the East German economy is very dependent on raw material imports and finished product exports, it cannot effectively isolate itself from the world economy. To the extent that machinery and parts have to be imported from the hard currency countries, the GDR imports their inflation. This imported inflation has direct implications for domestic policy, because the SED has promised its people that prices will remain stable in the GDR. The SED is well aware of what happened in neighboring Poland when price increases were mandated by the Edward Gierek government. Thus prices for basic commodities have been kept artificially low in East Germany while prices for "new" products have been allowed to rise, sometimes sharply.

Low prices for some goods can be subsidized, but other sectors of the economy must be adjusted to compensate. Compensation has come in the form of a steady campaign for greater productivity. Since the spring of 1976, the pages of *Neues Deutschland* and other media have stressed the need to utilize resources efficiently and effectively and, above all, to produce even more per unit of input. The slogan for this is the "intensification of production."

Major emphasis during 1977 was given to the construction industry and the field of electronics. The area of microelectronics is an example of the kind of problem East Germany faces. East German technology is behind the world standard in microelectronics, and it would be easy for the GDR to deal with the leading industries of the West and Japan. Yet the planning authorities have decided that improvements must be made by means of cooperation within the framework of CMEA, a decision that will surely slow the pace of improvement.

In other areas important to the East German economy, similar problems emerge when hard currencies enter the picture. The investment potential from hard currency countries cannot be tapped directly because of East Germany's limited financial resources. The GDR has tried to deal with the problem recently by means of the principle of countertrade (CT). Countertrade means that when an agreement is made with a company from a hard currency area, the contract will specify that a percentage (often 40 percent to 50 percent) of the price to the GDR will be paid in GDR goods and services. Since the range of appealing goods produced by the GDR is limited, Western firms have



not been enthusiastic about trading with the GDR. Thus the GDR was not successful in negotiating major contracts with Western firms at the Leipzig Autumn Fair in September, 1977.<sup>8</sup>

The campaign to intensify production has been complicated by restrictive realities. Studies by East German planning agencies show that there is a significant amount of underutilized productive capacity in the economy. Inefficient planning, inadequate transportation and ineffective organization have stymied efforts to improve the use of existing plant and equipment. Moreover much productive capacity is obsolescent.

Obsolescence is costly. The percentage of productive equipment in use five years or less is estimated to have dropped from 42 percent to 34 percent in 1977. This means more inefficient productive capacity and reduced competitiveness. Another cost is labor. Figures for the past two decades indicate an increase in the percentage of labor devoted to repairs; 17 percent of all labor was engaged in repairs by 1975. In a country short of labor, this represents an extravagant waste.

Overall, the growth of the East German economy has slowed in recent years. Production cannot keep pace with demand. Imports are an expensive alternative even if barter deals can be made, as in the case of the deal closed by Volkswagen and the East German state trading organization for transport machinery. Volkswagen will supply 10,000 Rabbits in 1978, while the GDR provides the service network. The GDR will pay for the cars with goods related to the automobile industry. Arrangements like these have an archaic ring.

Often overlooked in an assessment of the East German economy is the fact that East Germany has direct access to the European Economic Community (EEC) through West Germany. This gives East Germany an advantage over other Soviet bloc economies because exports from East Germany enter the EEC without the tariffs that apply to non-EEC countries. This access to a large and vigorous market has not been sufficient to compensate for structural problems.

With all its difficulties, the East German economy is fairly strong. In terms of consumer goods for an increasingly demanding populace, benefits are increasing. Unemployment is not a problem and inflation has not yet had a destructive impact. However, the primacy of politics over economics that is characteristic of Communist systems will prevent the East German economy from reacting effectively to the problems of underutilization and lagging productivity.

## INTERNATIONAL POLITICS

East German foreign relations include relations with the Soviet Union, German-German relations, the East

German response to relations between the United States and the Soviet Union, and, finally, relations with the United States.

Ever since the postwar occupation East Germany's special ties with the Soviet Union have had ranking importance.<sup>9</sup> After it became clear that German reunification was out of the question, the hopes of the SED leadership lay in the closest possible relationship with the Soviet Union and its international bodies: the CMEA and the Warsaw Treaty Organization (WTO). In part, the economic development (and difficulty) of East Germany stems from her status as a "junior partner" of the Soviet Union. This has enhanced her prestige in East Europe, where since 1963 the East Germans have enjoyed the highest standard of living. On the cost side, East Germany has had to pay dearly in terms of unfavorable trade relations with the Soviet Union. The Soviet Union supplies the GDR with 100 percent of its natural gas, 90 percent of its oil and between 60 percent and 70 percent of its non-ferrous metals. The price of these materials has risen, but the GDR has been able to retrieve only two-thirds of the increase by raising the price of goods sent to the Soviet Union.

Although relations with the Soviet Union were somewhat strained at the time of the transfer of power from Walter Ulbricht to Erich Honecker in 1971, the relationship has since been restored to the closeness confirmed by the friendship treaty with the Soviet Union and the 1974 constitution. That East Germany and the Soviet Union reinforce each other was shown at the Conference of European Communist and Workers Parties. While *Neues Deutschland* published the speeches of the Eurocommunists, concerted propaganda campaigns before and after the conference made it clear that the SED sided with the Soviet view that experience with the dictatorship of the proletariat was essential in the transition to communism.

East Germany has evoked a mixed reaction in East Europe. Wartime memories linger. The wealth of the GDR promotes jealousies. Nonetheless, the key importance of East Germany's superbly equipped National Peoples Army (NVA) within the WTO has been accepted, if reluctantly. Doctrinal orthodoxy and cultural conservatism have not enhanced East German popularity.

The main theme of East German policy toward West Germany is *Abgrenzung* (demarcation), aimed at

(Continued on page 181)

---

Arthur M. Hanhardt, Jr., is author of *The German Democratic Republic* (Baltimore: The Johns Hopkins Press, 1968) and several articles on East Germany in the *Journal of International Studies*, *Societas* and other journals. He visited the GDR in 1970, 1972 and 1974 and chairs the Research Committee on the GDR of the Conference Group on German Politics.

<sup>8</sup>Business East Europe, September 16, 1977, p. 291.

<sup>9</sup>See Melvin Croan, *East Germany: The Soviet Connection* (Beverly Hills: Sage, 1977) for a more extensive analysis of GDR-Soviet relations.

---

*Hungary is "a Communist state that is characterized by an acceptably high standard of living, lacking the drabness, the uniformity and rigidity characteristic of similar states. Hungary has private and state-owned stores alike, stocked with all kinds of goods, clear evidence of an 'enrichissez vous' attitude on the part of the authorities that allows people to accumulate private fortunes and results in great diversity in living standards. . . . Nonetheless, Hungary's leaders face several significant problems."*

## Hungary: The Crown and the Crowd

BY IVAN VOLGYES

*Professor of Political Science, University of Nebraska*

**H**UNGARY remains a nation of paradoxes. Among pomp and circumstance, an American Secretary of State returns the historic crown of Hungary's first Christian King, St. Stephen. The crown is a symbol of the rich heritage of the nation, a symbol taken from Hungary in 1945 by Hungarian fascists and handed over for "safekeeping" to advancing American troops at the end of World War II. It is also a symbol of legitimacy; a Catholic crown much coveted by an officially atheistic Communist regime.

The scene borders on the absurd. An American Secretary of State handing over the crown, the scepter, the orb and the historic coronation robe to a Communist President, with the proviso that the items will be open for public viewing by *all* Hungarians of whatever nationality in the reconstructed former Royal Palace of Budapest. And to add to the absurdity, one member of the official United States delegation is a former Hungarian citizen, a highly respected American professor of history, who was harassed, humiliated and expelled from Hungary in 1974.

But such paradoxes are commonplace in the complex, semi-developed state of Hungary. It is a Communist state that is characterized by an acceptably high standard of living, lacking the drabness, the uniformity and rigidity characteristic of similar states. Hungary has private and state-owned stores alike, stocked with all kinds of goods, clear evidence of an "*enrichissez vous*" attitude on the part of the authorities that allows people to accumulate private fortunes and results in great diversity in living standards. Hungary has a socialist culture, but that culture is characterized visibly more by Western than by socialist influences. Trade with the West is flourishing and there is a relatively open passport policy for most of the population; as many tourists visit Hungary annually as the population of the entire state. Hungarian newspapers include some

lively debates, exciting reportage and—in some instances—Western-style advertisements. Only in one respect is the "Communist" state a correct description; politically, Hungary is ruled and directed by the Hungarian Socialist Workers' Party, the official Communist party, which does not allow any political opposition.

The current health of the Hungarian sociopolitical and economic system stems from the success of the general development that took place roughly during the last decade. The general reforms in Hungary were planned in the mid-1960's and were implemented starting in 1968. Under the comprehensive umbrella of economic reform, dubbed the New Economic Mechanism (NEM), a great liberalization took place that allowed a freeing of centralized controls on all phases of public and private endeavor and resulted in the healthy equilibrium that characterizes Hungary today. The results of the reform were (1) a major alteration of Hungary's economic practices; (2) an increased privatization of the system and (3) a flourishing intellectual-cultural life that was accompanied by lively debate. Finally, as a result of these and some external developments, there was also (4) a general improvement of United States-Hungarian relations that contributed to the improved contacts between these two states.

### THE ECONOMIC "MIRACLE"

The economic miracle seems to have resulted from the three key components of the 1968 reforms: a de-emphasis of the primary sectoral production in industry; an improvement in the role played by agriculture; and a concomitant increase in the tertiary or "service" sector of the economy. The NEM attempted to decrease or slow the haphazard "industrialization at any cost" policies, patterned originally on the Soviet model. As a result of the NEM, while the number of those

employed in industry increased from 19.4 percent to 34.3 percent between 1950 and 1965, between 1965 and 1976 this ratio increased only to 35.2 percent.<sup>1</sup> This minimal increase was, among other factors, necessitated by "the unavailability of additional labor supplies from the Hungarian labor pool"; the fact remains, however, that the policymakers of the regime realized that the continued and forced growth of the industrial sector was detrimental to future economic growth.<sup>2</sup> As a result, industrial firms were notified that efficiency in production would be a prime criterion for judging their performance, and some efforts were made to eliminate those industrial units that produced without regard to the efficiency criterion.

The most important economic aspect of the NEM, however, was the exciting and innovative agricultural policy. Understanding that agricultural exports would be important sources of foreign currency necessary for continued growth, the regime began to foster policies that made agricultural production attractive to the producers. Giving hefty subsidies to household plots, combining incentives for the most productive collective farms with large-scale investment schemes, the regime made agriculture the most productive sector while maintaining the collective farm as the basic form of agrarian ownership. This policy resulted in the enormous transformation, modernization and enrichment of the rural sphere in Hungary, and in the increased availability of food and food products both for the domestic population and for the export market. In fact, "true revolutionary change" did not really take place in Hungary's industrial development but in its agricultural, rural transformation.

The third result of NEM planning was the growth of the tertiary sector of the economy. While between 1960 and 1968, for example, only 40 percent of the state investment went into the service sector, between 1968 and 1976 nearly one half (48 percent) was invested in the same sector.<sup>3</sup> More important than the quantitative figures, the official encouragement of privatization, extended to all sorts of private and semiprivate sources that were making contributions to the tertiary sector, was of primary importance. Private individuals and semiprivate "firms" were allowed to engage in much

needed repair or construction services; the official attitude fostered an accumulation of private wealth and improved services for the entire population, easing somewhat the burden that had hitherto been placed solely on the state.

### THE PRIVATIZATION OF THE SYSTEM

One of the most significant concomitants of the NEM was the amazing privatization of the entire socio-economic system. It is, of course, well known that as a system develops, greater demands for the allocation of private goods versus public goods arise. In Communist polities, the government must decide how much public and how much private goods can be allocated; generally speaking, Communist regimes have always favored the allocation of public goods. In Hungary, however, as a consequence of Hungary's economic and social development, the government allowed privatization, encouraging the citizenry to "mind its own business" and, thus, to accumulate as much private wealth as can be decently allowed. The privatization of the economy meant that the state did not need to allocate large sums for additional private goods; the individual citizen was expected to do that for himself. The Communist party's First Secretary, János Kádár, declared this policy, in essence, with his famous 1961 quote: "He who is not against us is with us," implying that one could indeed turn inward, toward his own interests, without being regarded as the enemy of the state. The party's acceptance of this policy led to the "Greyhound effect," i.e., "Do whatever you wish in your day-to-day existence, but leave the driving to us, to the Communist party and its leadership."<sup>4</sup>

Thus, a privatized polity developed in the relatively free political and economic atmosphere. Private interests coexisted with group interests; building one's house or renovating one's apartment became just as acceptable as working for the "common good." Working for personal advancement, earning a second or third income, accumulating enough money to purchase a car, a house, an apartment or a vacation house, instead of expecting the state to provide these benefits, became the accepted *modus operandi*. And while it was true that a great deal of corruption, thievery, bribery or other illegal and semilegal activities have characterized the operation of the Hungarian private economy since the conscious privatization of the system, the state and the population both significantly benefited from this practice of socialism with a bourgeois face.<sup>5</sup>

It is significant that the liveliest intellectual debates of the last decade took place in this privatized and relatively free social-economic system. Indeed, Imre Pozsgay, Hungary's Minister of Culture, was correct when he noted that the "1970's was the decade of intellectual debates."<sup>6</sup> Few topics, with the exception of the role of the party, were sacrosanct. In fact, when the role of the party was questioned, the party employed only

<sup>1</sup> Antal Stark, "Gazdaságunk szerkezetéről" [Concerning the Structure of Our Economy], *Valóság*, vol. 9 (1977), p. 1.

<sup>2</sup> László Mégay, "Csalodott ezüstművesek" [Disappointed Silversmiths], *Elet és Irodalom*, November 29, 1977, p. 16.

<sup>3</sup> Stark, *op. cit.*, p. 1.

<sup>4</sup> On the topic of depoliticization see Ivan Volgyes, "The Impact of Modernization on Political Development," in Charles Gati, ed., *The Politics of Modernization in Eastern Europe* (New York: Praeger, 1974), pp. 328-337.

<sup>5</sup> The term was first used by the author in *Current History*. "Limited Liberalization in Hungary," *Current History*, March, 1976, p. 107.

<sup>6</sup> Imre Pozsgay, "Mit akar ez a minisztérium?" [What Does This Ministry Want?] *Valóság*, vol. 8 (1977), p. 5.

mildly coercive force; it expelled three sociologists from its ranks and encouraged some dissidents of the so-called Lukács-school of sociology to emigrate to the West. Aside from this controversy, the most significant debates centered on population policy, the role of the working class, the prevalence of petty bourgeois attitudes, the ownership structure of the economy—especially in agriculture—and the urbanist-populist cleavage.

### TOPICS OF DEBATE

The controversy over population policy stemmed from the slowing birth rate in Hungary. The enormous housing shortage, the need for a second income for survival and advancement, the lack of nursery and kindergarten facilities, and the uncertainty over and distrust of government policies resulted in an annual birth rate of only 30,000 for a population of 10,000,000 people between 1961 and 1971.<sup>7</sup> In the mid-1970's, as a result of sharp public debate, the government was forced to alter its earlier position and institute a strongly pro-natalist policy. It restricted the ease with which abortions could be obtained; even more important, it adopted a child-care assistance program, whereby a young mother was encouraged by means of significant state support to stay home to care for her children under three years of age. This policy encouraged young families to produce more children, eased the pressure on the state to provide nursery facilities, and made staying at home especially attractive for those women who worked in relatively low-paying jobs.

A second debate centered on the definition and characterization of the term "working class." Although the term lies at the sacrosanct basis of Marxist ideology, definitional problems arose in a system where no one could be classified as an exploiter and where even those occupying managerial positions wanted to be regarded as members of the working class. Origin was no longer an adequate basis of classification because many former "peasants" had been amalgamated into the working class during the last 30 years and some could hardly remember their agrarian past. Similarly, location—in a peasant or worker environment, in a rural or urban area—was equally meaningless; after all, in the 1970's more than 50 percent of Hungary's "working class" lived in a rural area. In spite of strong pressure from dogmatic, leftist elements of the trade unions and from ideologues associated with them, this debate concluded that the working class was an all-inclusive term, referring to nearly everyone employed in the socialist sector.

In spite of dogmatic pressures, the debate on petty bourgeois behavior emphasized the possibility of

privatization; in the course of the debate it became clear that the regime did not regard a materially acquisitive mentality as ipso facto evidence of petty bourgeois behavior. Indeed, the regime itself supported those who held that a socialist life should not have to be lived in poverty, that socialism and a cultured, materially successful life were not incompatible. One could have a car, a television, decent clothes, an apartment, and even a vacation house and still be a Marxist. The regime, of course, did not allow an individual to own other dwellings in addition to his own house or apartment and a vacation house. Those durable goods regarded as luxury goods were heavily taxed.

The most significant economic debates raged over the question of ownership, especially the concept of maintaining private agricultural household plots. Historically, there was a great deal of animosity toward Hungary's ever decreasing peasant population. The traditional opposition of workers on fixed incomes toward peasants who were able to accumulate "immense" wealth was fostered by the official anti-peasant bias of marxism-leninism. Because the prices of most agrarian goods were regulated by market supply and demand, the population with fixed incomes was at the "mercy" of the peasants. Thus, in 1972-1974, the "dogmatist elements" of the party elite attempted to regulate peasant income. They argued "that while in towns workers and others have to live on their wages, the agricultural population gets hold of high incomes through easy work, and no little profiteering is made possible by a boom in the free market."<sup>8</sup> All those engaged in farming—and more than half the population of Hungary engage in some small-scale farming—retaliated against the anti-peasant tone of the 1974 debates by producing 200,000 fewer cattle and 1,600,000 fewer pigs in 1975 than they had in the previous year. This led to a sobering atmosphere and decided the debate in favor of the household plot, because the regime knew that a reduction in farm produce would hurt the urban population far more than the rural population.

Intellectually and politically, the most explosive debate of the 1970's was the populist-urbanist debate. The revival of populist values and the claim that they represent the "true" values of Hungarian society endangered the regime's professed urban bias. Defusing the issue was not an easy task, especially because it was accompanied by a sharp revival of popular folklore and was confused by the issue of folklore research among Hungarians living in Romania who were discriminated against by the Romanian government. This populist nationalism, which drew support from a large segment of Hungarian society, was rather anti-Semitic as well as anti-urban; for their part the urbanists were associated with anti-nationalist and, indirectly, pro-Soviet attitudes. Once again, the result of the debate was a compromise; a restatement of national values, whose roots lie both in the rural experience and in the rich

<sup>7</sup> *Magyar Statisztikai Zsebkönyv, 1977* [Hungarian Statistical Pocket Book, 1977] (Budapest: Statisztikai kiado, 1977), p. 7.

<sup>8</sup> István Lázár, "Collective Farm and Private Property," *The New Hungarian Quarterly* (Budapest), Autumn, 1976, p. 71.



Hungarian folklore. Although the regime accepted an indirect condemnation of the forced Romanization policies of the Romanian government, it succeeded in incorporating the values of a modern, socialist urban culture as an expression of Hungarian civilization.

All these debates marked a lively intellectual climate, characterized by experimentation and an increase of Western influences on the cultural life of Hungary. The party remained in control, but it capitulated on issues that were not essential to its leadership. And the population accepted the fact that Hungary's international position placed serious limits on her freedom of action and expression.

Hungary, of course, never ranked high on the priority list of United States diplomats. The American conviction in the mid-1940's that Soviet interests in Hungary could not be challenged—and that they were not worth challenging—placed Hungary on the back burners. The brutal Soviet crushing of the Hungarian revolution in 1956 did not alter American perceptions of Hungary's minor importance. Nor have American diplomats been impressed by the fact that since the end of the 1960's Hungary has become a relatively free, liberal country, where the regime enjoys a significant measure of legitimacy in the eyes of the citizens because of their economic well-being.

During the last few years, however, some improvement between the United States and Hungary can be noted. A cultural agreement between the two countries was signed in 1977. On January 7, 1978, the United States returned the Crown of St. Stephen to the people of Hungary. And, most significantly, trade between the United States and Hungary increased fourfold; although total imports from the United States in 1977 accounted for only 2 percent of all imports, compared to 27.5 percent from the U.S.S.R., and exports to the United States accounted for only 1 percent of all exports, compared to 30.2 percent to the U.S.S.R., the increase is significant, because of the high-level technology that such imports represent.<sup>9</sup>

The reason for the improvement in United States-Hungarian relations can be traced to several sources. First, the successful negotiations to allow Cardinal Mindszenty to leave the American embassy in Budapest for the West and the cardinal's subsequent death eased Hungarian-American relations by removing an important point of contention. Second, the Hungarian acceptance and payment of obligations arising from claims relating to World War II and from the Hungarian nationalization of American property since 1945 created an atmosphere of mutual trust. Third, the increase in trade with Hungary gave American businesses greater access to Hungarian markets, and, at the same time, convinced American businessmen that they could do business with and even live well in a Communist

Hungary. Fourth, the return of the Crown of St. Stephen was a deliberate move toward a rapprochement between the two states.

In addition, Hungarian-American relations have benefited from the human rights emphasis of United States President Jimmy Carter. Hungary is one of the few Communist states that has no political prisoners. While Western-style human rights would be inconceivable, the freedoms enjoyed by the Hungarian population are more compatible with Western standards than with those of neighboring Communist states. Although in matters of Jewish emigration, Hungary's record is worse than that of Romania, the state's treatment of others desiring to emigrate seems to be far more humane and relaxed. And finally, in matters of religious worship, the state's rapprochement with Hungary's faithful—as partially evidenced by Billy Graham's visit to Hungary and his open-air public "crusade" to 10,000 Hungarians—seems compatible with President Carter's own value system.

Finally, it is important to realize that Hungary's attitudes toward Eurocommunism are an important and integral part of the improvement in United States-Hungarian relations. Unlike most faithful allies of the U.S.S.R., Hungary has not condemned Eurocommunism; indeed, Kádár and most members of the Hungarian Communist party Politburo view the development of Eurocommunism favorably. Contending that all nations have a right to follow their separate paths to development and, consequently, that the Italian, Spanish or French Communist parties have a right to adopt whatever domestic tactics they choose, First Secretary of the Communist party János Kádár is merely reinforcing his deep internationalist convictions. At the same time, however, his support of Eurocommunism bolsters his right to adopt whatever domestic policies he and the Politburo deem necessary for Hungary. While opposing the adoption of anti-Russian or anti-Soviet policies by the European Communist parties, Kádár seems to be saying to the United States: "In foreign affairs we must support the U.S.S.R., but in domestic affairs we are our own masters and you can deal with us successfully and profitably."

Nonetheless, Hungary's leaders face several significant problems in the economy, the leadership, the possibility of graft and corruption, increasing nationalism, United States-Hungarian relations, and Eurocommunism.

The next decade will bring significant structural changes in the economy. An even greater shift toward

*(Continued on page 181)*

---

**Ivan Volgyes** is the author and editor of seven books and more than a score of articles dealing with East Europe and the U.S.S.R. His most recent book is *Political Socialization in Eastern Europe* (New York: Praeger, 1975).

<sup>9</sup>*Magyar Statisztikai Zsebkönyv*, 1977, p. 121.

---

# BOOK REVIEWS

---

## ON EAST EUROPE

**PRAXIS: MARXIST CRITICISM AND DISSENT IN SOCIALIST YUGOSLAVIA.** By *Gerson S. Sher*. (Bloomington, Ind.: Indiana University Press, 1977. 360 pages, sources cited and index, \$15.00.)

The most important Marxist critiques of Communist societies have come from the *Praxis* group of Yugoslav Marxist humanist philosophers. For more than a decade until a Yugoslav government crack-down in 1975, this group wrote on a wide range of subjects, including Stalinism, bureaucracy, self-management, and Yugoslav socialism. All the major themes of dissent are carefully analyzed in this splendid study, which should be of interest to all those concerned with philosophy and politics in Communist societies.

ALVIN Z. RUBINSTEIN  
University of Pennsylvania

**SOUTHEASTERN EUROPE UNDER OTTOMAN RULE, 1354-1804.** By *Peter F. Sugar*. (Seattle: University of Washington Press, 1977. 365 pages, bibliographic essay, appendices, and index, \$16.95.)

In this impressive work of synthesis, Peter Sugar examines the period of Ottoman rule in the Balkans. He provides fresh insights into the diplomatic, social and economic factors that accounted for the centuries of Ottoman overlordship and shaped the nation-states that eventually became independent. Those interested in urban and social history will find this study especially useful.

A.Z.R.

**THE CATHOLIC CHURCH AND THE SOVIET GOVERNMENT, 1939-1949.** By *Dennis J. Dunn*. (New York: Columbia University Press, 1977. 267 pages, bibliography and index, \$17.00.)

This well-researched study traces Soviet relations with the Catholic Church in the areas that Moscow occupied at various times during the 1939-1949 period. More than half the chapters deal with the multifaceted struggle between the commissars and the cardinals in East Europe.

A.Z.R.

**THE YUGOSLAV EXPERIMENT 1948-1974.** By *Dennison Rusinow*. (Berkeley: University of California Press, 1977. 410 pages, select bibliography and index, \$16.50.)

In the twilight of the Tito era, there is a great deal of speculation about the future direction of Yugoslav society. The great value of this detailed,

careful examination of Yugoslav political and economic developments from 1948 to 1974 is the perspective it provides as a basis for analyzing a complex and highly individualistic Communist political system. The study will be of interest to all students of East European affairs.

A.Z.R.

**POLAND IN THE TWENTIETH CENTURY.** By *M. K. Dziewanowski*. (New York: Columbia University Press, 1977. 309 pages, illustrations, notes and index, \$14.95.)

M. K. Dziewanowski relates the history of Poland from its earliest beginnings to the present day. The excellent notes and illustrations add interest for the scholar.

O.E.S.

**TWENTIETH CENTURY CZECHOSLOVAKIA.** By *Josef Korbel*. (New York: Columbia University Press, 1977. 346 pages, bibliography and index, \$14.95.)

Josef Korbel has written an excellent history of Czechoslovakia, her leaders and her people.

O.E.S.

**TRADITION VERSUS REVOLUTION: RUSSIA AND THE BALKANS IN 1917.** By *Robert H. Johnston*. (New York: Columbia University Press, 1977. 240 pages, bibliography, notes and index, \$14.00.)

This is a scholarly book about a very brief period in the history of the Balkans.

O.E.S.

**OTHER GOVERNMENTS OF EUROPE, SWEDEN, SPAIN, ITALY, YUGOSLAVIA AND EAST GERMANY.** By *Michael Roskin*. (Englewood Cliffs, N.J.: Prentice-Hall Inc., 1977. 182 pages, bibliography and index, \$5.95 paper.)

The author writes of some of the "usually neglected" countries of Europe.

O.E.S.

**CASE STUDIES ON HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS. A WORLD SURVEY. VOLUMES 3, 4 and 5.** Edited by *Willem A. Veenhoven*, editor-in-chief, and *Winifred Crum Ewing*, assistant to the editor-in-chief. (The Hague: Martinus Nijhoff, 1976. Published for the Foundation for the Study of Plural Societies. Vol. 3: 579 pages; vol. 4: 568 pages; vol. 5: 589 pages, no price listed.)

These are the final three volumes of case studies on human rights and fundamental freedoms of peoples throughout the world.

M.M.A.

## THE GERMAN DEMOCRATIC REPUBLIC

(Continued from page 175)

barring undesirable West German influence. Throughout its history, the GDR has had to cope with an influx of people, ideas and goods from West Germany and West Berlin. "The West" exerted and still exerts a strong influence in the GDR. Western television is usually available, and since the "normalization" of relations between East and West Germany in 1972 there has been a huge influx of visitors bringing not only consumables but also Western news and views. The SED feared this influx and has waged a continuous campaign against West German influence, in spite of a commitment to a policy of peaceful coexistence. Border incidents, visa charges, financial arrangements, the status of West Berlin and, particularly, emigration from East Germany remain points of friction. Applications for emigration from East to West Germany have numbered well over 200,000.

Thus, German-German relations are constantly strained. In spite of the Helsinki accords and the East German need for trade with West Germany, tensions remain high. Incidents like the *Der Spiegel* affair serve only to worsen the atmosphere. Nonetheless, West German observers consider strained relations better than none and regard the overall impact of West German influence as an improvement in human relations.

In response to relations between the United States and the Soviet Union, East German policy faces a basic dilemma. Because a high value is placed on close relations with the Soviet Union and enhanced economic integration with CMEA, East Germany cannot take full advantage of opportunities to trade with the United States. There is also an important political element in the relationship between the GDR and the two wartime allies: the quadripartite agreement on Berlin of 1971. The former occupying powers are still responsible for Berlin; thus there are limits to what the GDR can do to change the status of Berlin without endangering relations between the United States and the Soviet Union. Thus Berlin remains a touchstone for the quality of détente.

East German-United States relations are also important. When the United States finally granted diplomatic recognition, the East Germans held high hopes for increased trade.

East German expectations have not been fulfilled. Although trade with the GDR has begun, it has not assumed the dimension of a major relationship. Counter-trade is not attractive to United States firms, and 1977 figures indicated only one major contract between an American firm and the GDR.

A cultural and scientific agreement between the United States and the GDR was also regarded with

optimism. A treaty was effected in 1975. The scope and impact of subsequent exchanges have not reached the breadth and intensity that had been hoped.

In the late 1970's, the GDR faces uncertainties. In domestic politics, there is a spectacular but small group of intellectuals who have made life difficult for the party functionaries. Yet the dissidents have not presented the government with a rationalized program of dissent, to say nothing of a popular opposition. The economy remains relatively sound and prosperous, although it might improve under less restrictive policies. In foreign affairs, East Germany remains the loyal ally of the Soviet Union. ■

## HUNGARY

(Continued from page 179)

infrastructural improvements in the tertiary sector must be instituted at a time when economic growth can be expected only from technological improvements and improvement in production efficiency. The problem of production efficiency is especially important, because Hungary's labor reserves have been depleted and no more than 60,000 additional workers can be expected to enter the labor market annually during the next five years. In a nation where labor efficiency is about one-third the labor efficiency of neighboring states and one-half the efficiency of capitalist states and where more than 12 percent of the entire population is involved with the transportation of raw materials and finished products, economic growth can come only from the importation and adaptation of high-level technologies aimed at improving labor efficiency.<sup>10</sup> Given Hungary's negative trade balance, the current worldwide inflationary spiral and her mineral-poor resources, Hungary must maintain steady prices in her exports, increase her marketing of semifinished goods and complex system-technologies, and slow the domestic consumption pattern, although the population expects the standard of living to remain relatively high.

The party leadership itself must undergo a change in the coming decade. Although Kádár, who is 65 years of age, is a relatively "young" man compared to the geritocracy of the Soviet leadership, he must begin to pave the way for an orderly succession of party rule. In power for 22 years, Kádár remains a consummate politician; since the last party congress in 1975, he has included younger politicians like György Lázár, István Huszár, Gyula Szekér, László Maróthy and Miklós Ovári in the policymaking apparatus.

Finally, in domestic affairs, Hungary's leaders must guard against corruption, bribery and thievery, and the "bakshish-mentality," the tip. The regime must guard against the bakshish mentality, not because tips are

(Continued on page 186)

<sup>10</sup>Mégay, *op. cit.*, p. 16.

## YUGOSLAVIA AND TITO

(Continued from page 158)

of the Soviet Union Leonid Brezhnev may talk "off the top of his head" at secret meetings of the Politburo but his public statements are carefully crafted. It is an American belief, securely anchored in our culture, that Communist leaders can be persuaded to change their positions through an American demonstration of personal charisma. For their part, Communist analysts do not "believe" that candidate Carter might have been imprudent when he described his intentions with respect to Yugoslavia; they believe that President Ford and candidate Carter or the "ruling circles" had carefully prepared an apparent disagreement in order to set forth policy options. The election of Jimmy Carter would incline Soviet and Yugoslav officials to view his announced policy as the official one.

The former United States Ambassador to Yugoslavia, Laurence Silberman, gives an excellent example of this perceptual gulf by quoting Yugoslav Foreign Minister Milos Minić's view on anti-Yugoslav terrorism. In a secret speech to high-ranking military officials Minić sees:

... two problems in our political cooperation with Western countries: the acts of Yugoslav terrorists/Fascists and other anti-Yugoslav emigres, and political pressure campaigns against Yugoslavia . . . . Fascist bands which fled our country together with Nazis enjoy the hospitality and enormous financial and material support of intelligence services and governments of Western countries with which we now have good relations. . . . Periodic campaigns with the aim of attempting to discredit the internal structure and foreign policy of Yugoslavia are also a characteristic form of pressure which comes from the West. . . . the American press writes especially harsh things about Yugoslavia. All of it is synchronized: The direction comes from one place and then all the machinery goes into operation: intelligence, diplomatic, information, propaganda and so on. . . .<sup>13</sup>

As Silberman points out, this becomes a self-fulfilling prophecy, and an anti-Yugoslav event, like the 1976 hijacking of a TWA airliner by Croatian extremists in New York, is automatically interpreted as official American pressure.

Tito was a busy traveler in 1977, visiting the Soviet Union, North Korea, the People's Republic of China, France, Portugal and Algeria. It is clear that he is trying to put Yugoslavia's relations with these countries on a firm footing while he can still function. Presumably he hopes to achieve a similar stabilization in domestic policy at the Eleventh Congress of the Yugoslav League of Communists, which will be held in June, 1978. Tito is, in effect, bidding his country a "long farewell."

Most of Yugoslavia's population has come to

maturity during Tito's regime and has known no other leadership. In the consciousness of this youthful population, modern Yugoslavia was single-handedly created by Tito in the long ago of the 1940's and has been lovingly guided by Tito ever since. The identification of Yugoslavia and the person of Tito is so strong that the question, "Who will succeed Tito as the leader of Yugoslavia?" poses a logical contradiction for the average Yugoslav, since he cannot conceive of one without the other.

And it may well be that today's Yugoslavia will change dramatically when the maximum leader leaves the scene. Ethiopia is a sobering example of how fragile a nation can be without its charismatic ruler. However events unfold in a post-Tito Yugoslavia, none of the actors will have the heroic dimensions of Josip Broz Tito. ■

## POLAND FACING THE BRINK

(Continued from page 163)

dispensable in Poland's search for internal stabilization, growing Western ties are politically significant. This is particularly relevant today, when overt opposition to government policies has apparently become a permanent fixture of Polish politics. Trapped between pressures for an effective increase in the standard of living and demands for political liberalization, Poland's Communist regime appears unable to diffuse social tensions.

Given this situation, the United States has offered Poland economic aid while at the same time encouraging the broadening and solidification of emerging pluralist trends. Thus, at his press conference, held on December 30 in Warsaw, President Carter acknowledged the existence of dissident Polish organizations by promising to answer their questions in writing. More important, while President Carter conferred with Gierek and other party leaders, Mrs. Carter and Zbigniew Brzezinski, the President's National Security Adviser, met with Cardinal Stefan Wyszyński, the head of Poland's Catholic Church. The implicit purpose of the meeting, reported one observer, was to "encourage the continuation of the contacts that have already begun between the two major focuses of power in this country—the Church and the State";<sup>31</sup> its long-range goal might be the creation of a lasting basis for the government's tolerance of differing groups. Polish-American economic ties will strengthen that process.

This is not to say that Poland's policy of cooperation with the West will affect her long-standing ties with the Soviet-centered community of East European Communist nations. Friendship with the Soviet Union has been and will continue to be the cornerstone of Warsaw's foreign policy. Ideologically, Poland and the

<sup>13</sup>Silberman, *op. cit.*, pp. 22-23.

<sup>31</sup>Cited by David Andelman, *The New York Times*, December 31, 1977.



Soviet Union share the same goals. Economically, Poland remains fully dependent on Soviet support, particularly for energy resources. The Soviet Union continues to be the most important recipient of Polish exports, which concentrate primarily on shipbuilding, machinery, and coal. In 1976, close to 28 percent of Poland's total trade turnover was with the Soviet Union.<sup>32</sup> Politically, Polish-Soviet ties remain as strong as ever: the PUWP unwaveringly follows the Moscow line in international Communist politics; Poland is a loyal member of Soviet-controlled Communist organizations like the Warsaw Pact and the CMEA, and last but not least, the presence of some three Soviet army divisions in Poland is a powerful guarantee of continuing political cooperation.

Yet the Soviet Union no longer can provide Poland with all the economic help and support that country needs. Neither can it supply technology and equipment matching Western standards. Hence Soviet leaders must tolerate Poland's growing cooperation with the West. In fact, this cooperation is in the economic interest of the Soviet Union, because Poland's internal economic modernization is bound to benefit the Soviet economy. In this situation, Moscow's main preoccupation is to secure the stability of Poland's political system. In the long run, this combination of Soviet political tolerance and Western economic help may be decisive in Poland's efforts to overcome her economic and political difficulties.

## CONCLUSIONS

In the last three years, Poland has experienced serious economic difficulties that gradually acquired explicit political overtones. Although the government introduced some limited economic reforms to neutralize the impact of the crisis on the political system, the main thrust of its effort continues to revolve around reliance on foreign aid to restore economic stability. Even if it is successful, this strategy will bring only limited and short-term solutions to the current crisis. A more permanent remedy can only be achieved by means of a comprehensive reorganization of Poland's system of economic management, including administrative decentralization, market-related processes of production, and realistic pricing, to name only a few obvious measures.

The need for large-scale economic reforms has already been voiced in the party itself. In October, 1977, several formerly prominent party officials wrote a letter

to Gierek calling for a public discussion of the economy and the ways to improve its management. The following month, a series of articles in the most important Polish journal, *Polityka*, appealed for greater decentralization and economic flexibility.<sup>33</sup> But these demands for change were countered by equally determined calls for political and administrative continuity, as if the smallest change might threaten the very existence of socialism in Poland. As for the party leadership, there is no sign that any major policy changes are seriously contemplated. In a speech that opened a national party conference on January 9, 1978, in Warsaw, Gierek strongly criticized existing inefficiency, economic wastage and administrative corruption, but he stopped short of urging even a modicum of change. Hence internal economic inertia is likely to continue, providing an environment in which each economic downturn will inevitably produce an outburst of social discontent and endanger the government's political stability. ■

## CZECHOSLOVAKIA AFTER HELSINKI

(Continued from page 167)

"the great charter of the effort of all the progressive world for a socially just progressive society."<sup>10</sup>

On the other hand, relations with the United States, which began to improve in 1974-1975, have cooled in 1977, mainly because of the Prague regime's treatment of the chartists and other dissidents. The long-standing issue of compensation for United States property expropriated after the Communist takeover in February, 1948, remains unresolved. As a consequence, the United States continues to hold the 18,400 kg of gold assigned to Czechoslovakia as her share of gold that had been seized by the Nazis in East Europe during the war and shows no indication of granting Czechoslovakia the most-favored-nation status she covets. The state of United States-Czechoslovak relations stands in sharp contrast to relations between the United States and Czechoslovakia's Communist-ruled neighbors to the North and South—Poland and Hungary—which continue to improve, as was vividly documented by United States President Jimmy Carter's visit to Poland and the return of St. Stephen's crown to Hungary.

The Prague regime's reprisals against the chartists have also cast a shadow on Czechoslovakia's relations with other countries in the Western world. But the prospect of improved relations with the Vatican was raised in July, 1977, when Husák sent a letter to Prague's Apostolic Administrator, Msgr. František Tomášek, congratulating him on his elevation to the rank of cardinal and expressing interest in an improvement in Czechoslovak-Vatican relations. Husák's gesture gave rise to hope that the delicate issue of the

<sup>32</sup>*Concise Statistical Yearbook of Poland 1977* (Warsaw, 1977), in English.

<sup>33</sup>See Mieczysław F. Rakowski's articles, "The Limits to Centralization," and "The Limits of Centralization and the Limits of Decency," *Polityka*, November 5 and 19, 1977, and the counterattack of his opponents, W. Ratynski, "For Democratic Centralism," and H. Chadzynski, "What Kind of Centralization, What Kind of Decentralization?" *Zycie Warszawy*, November 9 and 11, 1977.

<sup>10</sup>*Rudé právo*, October 18, 1977.

appointment of bishops to several vacant Czechoslovak bishoprics might at long last be resolved and that Tomášek might become the new Prague archbishop, a post that has been vacant since the death of the exiled Cardinal Josef Beran in 1969.

As if to compensate for immobilism in relations with the West, the Husák regime has been active in its contacts with the countries of the Communist "commonwealth of nations." A top-level party-government delegation led by Husák in 1977 paid official visits to Romania, Hungary and East Germany, and Husák served in his turn as a host in Prague to an equally high-powered Polish delegation, led by Polish party chief Edward Gierek. On each of these occasions, flowery communiqués extolled mutual friendship and fraternal cooperation and expressed an identity of views on all aspects of domestic and international policy; agreements and protocols on cooperation in various fields were also signed.<sup>11</sup> During a visit to East Germany, a new Treaty of Friendship, Cooperation and Mutual Assistance replacing a similar treaty of 1967 was signed by Husák and the East German Communist party leader, Erich Honecker.

Finally, mention should be made of the red-carpet treatment extended to the Shah of Iran and his consort during their visit to Prague in August, 1977. Husák hailed the visit as a "milestone" in Czechoslovak-Iranian relations. The Shah was awarded the highest Czechoslovak decoration, the Order of the White Lion with Chain, and Charles University gave him the honorary degree of Doctor of Jurisprudence and gave his wife the degree of Doctor of Philosophy. Husák and his colleagues had good reason for their lavishness: in November, 1976, Iran made a commitment to supply Czechoslovakia with more than \$2.5-billion worth of natural gas between 1981 and 2003 and to pay for the transit of Iranian gas through Czechoslovak territory to West Europe with one-third of the transported quantity. It is estimated that this will cover approximately one-third of Czechoslovakia's imports of natural gas in the 1980's and thus will help the Prague regime to cope with energy problems. ■

<sup>11</sup>However, the communiqué issued during Husák's visit to Romania omitted any reference to the Soviet Union or the Warsaw Pact.

## SOVIET RELATIONS WITH EAST EUROPE

(Continued from page 149)

New developments may be contingent on the manner in which a new leader emerges in the Soviet Union after the 71-year-old Brezhnev leaves the scene. (For data on this process, as it affects East Europe, see Table 3.) The succession struggles that took place, after Joseph Stalin's death and after the coup that ousted Nikita Khrushchev, led to an interregnum with a con-

comitant lack of decisiveness.<sup>27</sup> If this situation repeats itself, it is conceivable that the Soviet Union may lose some of its authority in East Europe.

The impact of "Eurocommunism" may also become more important during the next several years. Spokesmen for the movement in Italy have defended several of the prominent "Charter 77" signatories who had supported Alexander Dubček in Czechoslovakia. Spanish party leader Santiago Carrillo indicated at a November 21, 1977, press conference in Washington, D.C., that the Romanian leadership is sympathetically inclined toward his ideas. In a letter to current Polish party leader Edward Gierek, 14 former top Communist leaders requested political and economic reforms, calling for a "frank confrontation of views with members from other political groups and nonaligned people."<sup>28</sup> Finally, a reform group in East Germany has reportedly issued a 30-page manifesto calling for more freedom, a distancing from the "barbarity" of the Soviet Union, and reunification of the two Germanys on the basis of free elections and neutrality.<sup>29</sup> These may only be straws in the wind, but under the right circumstances they could seriously challenge the monolithic rule of the local Communist parties from within.

A third possibility may be even nearer. Soviet-Yugoslav relations have oscillated between extremes of friendship and hostility, and the current rapprochement may be put to the test soon if Yugoslavia's President Tito dies before Brezhnev. Yugoslavia has been more open to the West than any other East European country; any further movement on her part toward a free political system may not be tolerated by the Soviet Union, whose armed forces allegedly have a contingency plan called "Polyarka"<sup>30</sup> for the military occupation of Yugoslavia. However, an invasion of Yugoslavia would be difficult to justify, especially since that country (in contrast to Czechoslovakia) has never belonged to the Warsaw Treaty Organization. Even without Tito, the Yugoslavs would probably fight against such an attempt to curtail their independence and would not voluntarily accept a government installed by Moscow. The same might be true of Romania.<sup>31</sup>

For other parts of the bloc, the 32 Soviet divisions

<sup>27</sup>J. P. Brown, "Soviet-East European Relations in 1976," Radio Free Europe, *Background Report* (Munich), no. 260, December 23, 1976, p. 5.

<sup>28</sup>*The New York Times*, January 7, 1978.

<sup>29</sup>"DDR—Widerstand: Sehnsucht nach Demokratie," *Der Spiegel* (Hamburg), January 2, 1978, pp. 19-24.

<sup>30</sup>See the two-part interview with Czechoslovak defector Major General Jan Sejna, "Moskaus Aufmarschpläne gegen Österreich," *Profil* (Vienna), February 14 and 21, 1976, pp. 39-43 and 29-35.

<sup>31</sup>Aurel Braun, "The Yugoslav-Romanian Concept of People's War," *Canadian Defence Quarterly* (Toronto), vol. 7, no. 1 (Summer, 1977), pp. 39-43. See also Clare Hollingworth, "Can the Soviet Union Rely on Its Allies?" *Daily Telegraph*, December 2, 1977.

stationed in four of the six WTO member countries are decisive. No real change can be anticipated until these troops withdraw behind their own borders. If that should happen, the peoples of East Europe would be able to change their governments so that they become independent; perhaps they might even introduce some genuine political pluralism, which unfortunately remains lacking today even in Yugoslavia. ■

## UNITED STATES POLICY IN EAST EUROPE

*(Continued from page 153)*

stood in Moscow as the end of the businesslike dialogue of détente and the beginning of an updated, more sophisticated version of "containment" or even "liberation." In this view, the United States threatens the Kremlin not with military action but with more subtle forms of pressure to encourage the transformation of the Soviet system into a Western socialist democracy.

United States support for Soviet dissidents has been an embarrassment to the Soviet regime. Moscow finds itself challenged not only by Communist criticisms advanced by the Chinese but by humanitarian criticisms advanced by the West. Because human rights fall outside the orthodox definitions of capitalist ideology, Soviet leaders have not been able to counter with traditional Marxist-Leninist arguments. Instead, they have advanced two weak defenses. First, Moscow has demanded respect for the rule of international law, which prohibits interference in the domestic affairs of other nations. Brezhnev dismissed this same principle of sovereignty as a superfluous "bourgeois legality" in 1968 when he was defending the Soviet invasion of Czechoslovakia. Moscow's second defense involves a similar twist in attitude. Soviet support of leftist extremists in other countries is defended on the basis of the "objective laws of class struggle," whereas Western support for Soviet dissenters is rejected as a violation of the prevailing rules of ideological warfare. If the regime finds itself unable to control dissidents inspired by United States expressions of approval, Soviet rulers may strike back by blocking efforts toward détente.

A third possible negative impact of Carter's human rights policy regards relations inside the Soviet bloc. Conditions in East Europe are already ripe for rebellion against Soviet domination. There are long-standing political and economic reasons for dissatisfaction, and Soviet leaders have become the only target for growing East European nationalistic fervor because West Germany is no longer a threat to East European security. In this context, United States support of East European independence movements might trigger Poles, East Germans and Czechoslovaks into open conflict with the Soviet Union. The "Sonnenfeldt doctrine" was intended to temper the rising forces of individualism. President Carter, on the contrary, apparently believes that East

Europe has become a dubious asset for Moscow, and he apparently wants to encourage anti-Soviet feelings.

Although President Carter's advocacy of human rights poses difficulties, it would be a mistake to conclude that such a stand is without merit. If kept within the limits of common sense, "moralpolitics" should not jeopardize United States-Soviet negotiations on political and strategic issues; nor should it upset United States relations with the pragmatic leaders of West Europe.

Furthermore, a vocal American policy of commitment to human rights may not automatically result in a series of suicidal revolts in East Europe. The ruling Communist parties themselves might welcome Western guidelines for democratic government because they desire domestic stability which, they realize, may necessitate greater political liberty and respect for civil rights. There has been measurable progress in this direction over the last two decades, but Kissinger's "bread-and-butter" realpolitik did not offer a strong base of support. The United States is now in a position to stimulate the evolutionary processes of democratization in East Europe—processes that sooner or later may spill over to affect the Soviet Union itself. ■

## ROMANIA: THE POLITICS OF AUTONOMY

*(Continued from page 171)*

continuation of the more cooperative stance toward the Soviet Union and the bloc that Brezhnev's visit had heightened. After that visit, a Romanian-Soviet ideological cooperation agreement was signed for 1977-1980; Ceausescu asserted that bilateral relations between the two party-states had "greatly developed." The Romanian leader visited other bloc states with whom Bucharest's relations had often been strained—Poland, East Germany and Hungary. East German Communist party leader Erich Honecker and Czech party head Gustav Husák visited Ceausescu. This cooperative stance during the early half of 1977 was reinforced by Ceausescu's irritation at United States and Western "human rights" emphasis, which he associated with political dissent in Romania.

However, in the second half of the year, Romania's relationship with the bloc began to manifest some strains. In the wake of the Soviet attack on the noted Spanish Eurocommunist, Santiago Carillo, and his book, *Eurocommunism and the State*, the RCP reasserted its support for the independence of all Communist parties and their right to shape socialism to meet national particularities. Ceausescu also renewed Romania's intermediary role in the Arab-Israeli crisis; and at the Belgrade follow-up meeting of the CSCE Bucharest initiated proposals that contravened Warsaw Pact interests. At the same time, Romania and the People's Republic of China were exchanging an unprecedented number of delegations. And Romania con-

cluded major economic cooperation agreements with private corporations in France, West Germany, Britain and the United States. That these developments were having a dampening effect on Romanian-Soviet relations was demonstrated by Ceausescu's brief August trip to the Crimea and his brief visit to Moscow for the sixtieth anniversary of the revolution—in contrast to the longer visits of other bloc leaders.

The 1977 Middle East developments were particularly significant. Ceausescu visited Egyptian President Anwar Sadat in May; Israeli Prime Minister Menahem Begin traveled to Bucharest in August; and Sadat returned Ceausescu's visit in October shortly before his dramatic journey to Israel, which transformed the Middle East political scene. Both Sadat and Begin subsequently indicated that Ceausescu had been helpful in facilitating the breakthrough.<sup>23</sup> Thus Ceausescu was able to play a significant role in a key third world area and, in the process, to demonstrate Romania's independence of Moscow.

Relations with the United States improved toward the end of 1977, but the Romanians remained wary of President Jimmy Carter's human rights policy. They feared that the Carter administration was not so enthusiastic about Romania as Nixon and President Gerald Ford. But United States support for Romanian independence remained intact. Bilateral trade, spurred by the granting to Romania of most favored nation status in 1975 and by Export-Import Bank financing, is targeted to reach \$1 billion by 1980. United States companies have been allowed to invest in Romania; Control Data has established a United States-Romanian company in Bucharest for the manufacture of computer equipment. And, in 1977, the Romanians invested \$58 million in Occidental Petroleum's Island Creek Coal Company, the first Communist country investment in the United States.

Romania still remains the East European bloc country with which the United States has the most active and diversified ties. While the United States-Romanian relationship could be jeopardized by an escalation of polemics over human rights, both governments see political advantages in positive interactions. The United States values Bucharest's attempts to curb Soviet domination of the Balkans and to challenge Soviet hegemony in the Communist world; Romania regards United States economic and political support as an important part of her foreign policy balance.

As the 1970's end, Romania can point to remarkable foreign policy achievements for a state that has limited

resources. In the last 20 years, Romania has been able to modify many of the economic, political and ideological bonds imposed by the Soviet Union after World War II; her leaders have achieved a level of autonomous international activism unprecedented for an East European bloc state. Skillfully maneuvering, Bucharest has developed a foreign policy characterized "not [by] permanent alignments but [by] permanent bargaining with shifting and overlapping coalitions."<sup>24</sup>

At the same time, the RCP has maintained a relatively rigid internal political order that has helped to contain Soviet wrath at its foreign policy deviance. Party orthodoxy is also compatible with what the elite regards as necessary for the transition of a backward Balkan state into modernity. Now that Romanian society is being transformed, the question remains: whether and to what extent Romania will manifest innovations and flexibility that go beyond an appeal to nationalism and anti-Soviet feelings. ■

## HUNGARY

(Continued from page 181)

socially immoral but because this mentality may contaminate the positive developments of the last decade.

In foreign affairs, the regime also faces a number of problems. The Romanian regime's attempts to Romanize almost 2.5 million Hungarians living in Romania have caused significant Hungarian resentment against the Romanian authorities, and the regime's inability to ameliorate this problem could lead Hungarians to question Kádár's legitimacy. Attempts to help Hungarians in Romania have been only minimally successful, even after the July, 1977, meeting between Kádár and Romanian leader Nicolae Ceausescu.

With regard to United States-Hungarian relations, attempts to place bureaucratic controls on exchange agreement participants cannot be expected to improve American-Hungarian relations. At the same time, the United States withholding of most favored nation status from Hungary, while extending it to Romania and Poland, makes a mockery of presidential emphasis on rewarding states that exhibit "correct" human rights policies.

Finally, Hungary's efforts at bridge-building between Moscow and the Eurocommunist parties can also easily sour with adverse developments in Spain, Italy or France. For the most part, the Soviet Union has allowed Hungary to formulate her own domestic policies as long as she supports the Soviet Union in foreign affairs. Given her cautious and ever-so-minimal deviation from the Soviet position, Hungary must be careful with regard to the issue of Eurocommunism, lest she adopt a position that could be viewed as inimical to Soviet interests. ■

<sup>23</sup>The *New York Times*, November 27, 1977, analyzes Romania's penchant for this and other foreign policy intermediary roles.

<sup>24</sup>Stanley Hoffman, approvingly quoted by former Romanian ambassador to the United States, Corneliu Bogdan, "Europe in a Changing World," *Revue Roumaine d'Etudes Internationales*, vol. 11, no. 2 (1977), p. 270.



---

# THE MONTH IN REVIEW

---

*A Current History chronology covering the most important events of February, 1978, to provide a day-by-day summary of world affairs.*

## INTERNATIONAL

### Belgrade Conference (East-West European Security Conference)

Feb. 20—After 17 weeks of debate, conferees at the 35-nation Belgrade conference agree to extend their negotiations.

### European Economic Community (EEC)

(See China)

### International Terrorism

Feb. 18—2 terrorists, claiming to be Palestinians, kill Yousef Sebai, editor of the Egyptian newspaper *Al Ahram*, in the lobby of a Nicosia, Cyprus, hotel; the terrorists flee in a Cyprus Airways jet after releasing 15 of their 30 hostages. Sebai, Egyptian President Anwar Sadat's close friend, was secretary general of the African-Asian Solidarity Organization, which was meeting in Nicosia.

Feb. 19—The commandeered plane returns to Nicosia from Djibouti; Egyptian commandos flown from Egypt raid the hijacked plane, free the hostages, and capture the 2 terrorists. Because the Egyptians landed without permission, the Cypriot National Guard opened fire on them, killing 15. Cypriot officials claim that Egypt did not make her intention to stage a commando rescue clear; the commandos are arrested.

Cyprus frees the surviving Egyptian commandos but calls for the recall of the Egyptian military attaché from Cyprus.

Feb. 22—Egypt breaks diplomatic ties with Cyprus.

### Middle East

Feb. 1—Israeli Foreign Minister Moshe Dayan denies that Israel will delay the "resettlement" of the West Bank of the Jordan; he tells the Israeli Parliament that he promised that as long as peace negotiations continue new settlements would be only in the form of military camps.

Feb. 3—Egyptian President Anwar Sadat arrives in Washington, D.C., for talks with U.S. President Jimmy Carter about Middle East peace negotiations.

Feb. 7—The U.S. Department of State issues a statement in Washington, D.C., disclosing the strong

U.S. opposition to the continuing establishment of Israeli settlements in occupied Arab territory.

Feb. 12—In Bucharest, Romania, Egyptian President Sadat confers with Romanian President Nicolae Ceausescu about the Middle East.

Israeli Prime Minister Menahem Begin issues a statement critical of the U.S. attitude toward Israeli settlements in Israeli-occupied Arab lands.

Feb. 26—The Israeli Cabinet supports Begin's plan to expand Jewish settlements in the occupied Sinai and in the West Bank of the Jordan River.

Feb. 27—The Syrian government newspaper *Tishrin* reports that Syria rejected a proposed visit from U.S. Middle East mediator Alfred Atherton, Jr.

### United Nations

Feb. 14—The United Nations Human Rights Commission adopts a resolution accusing Israel of war crimes in occupied Arab territory.

### CAMBODIA

Feb. 2—On his return from an official visit to Phnom Penh, Thai Foreign Minister Uppadit Pachariyangkun reports that Thailand and Cambodia will re-establish diplomatic relations as soon as possible.

Feb. 23—Fighting continues along the Cambodia-Vietnam border in Tay Ninh, Song Be and Gialai-Kintum provinces. Hanoi radio reports that 370 Cambodians have been killed in the latest raids.

### CANADA

Feb. 4—Scientists from Canada's Atomic Energy Control Board recover fragments from the Soviet satellite, Cosmos 954, that disintegrated over northern Canada on January 24.

Feb. 9—In Ottawa, Secretary of State for External Affairs Donald C. Jamieson informs Parliament that 11 Soviet diplomats and officials who have been accused of conspiring to infiltrate the security division of the Royal Canadian Mounted Police have been expelled.

Feb. 15—At the conclusion of a 3-day meeting, Prime Minister Pierre Elliott Trudeau and the premiers of the 10 provinces reach agreement on joint action to stimulate the economy.

Feb. 17—For the 2nd time, the Foreign Office protests to the French government with regard to France's recent agreement to establish bilateral

relations with the French-speaking province of Quebec, bypassing the national government in Ottawa.

Feb. 22—The government proposes to increase federal spending for the next fiscal year by 10 percent.

## CHAD

Feb. 6—The government suspends diplomatic relations with Libya, charging that Libya is supporting the rebels in northern Chad.

## CHINA

(See also *Japan*)

Feb. 3—In Katmandu, Nepal, Chinese Deputy Prime Minister Teng Hsiao-ping arrives for a 3-day visit. He is expected to confer with Nepalese King Birendra.

In Brussels, Chinese and European Economic Community representatives conclude a 5-year trade agreement.

Feb. 23—In Peking, at the conclusion of a 6-day meeting, the Communist party's Central Committee issues a communiqué; the party chairman, Hua Kuo-feng, reports that "things are going much better than expected."

Feb. 26—In an address to the National People's Congress, Communist party leader Hua Kuo-feng says China must modernize her industries, develop advanced technology, expand foreign trade and introduce material incentives for workers.

Feb. 27—For the first time since 1964, the government convenes the Chinese People's Political and Consultative Conference, composed of intellectuals, minority groups, and overseas Chinese. In 1949, the Political and Consultative Conference proclaimed the establishment of Communist China and acted as the country's first Parliament.

## COLOMBIA

Feb. 27—In yesterday's primary election, former Foreign Minister Julio César Turbay Ayala wins the Liberal party nomination for President.

## CONGO

Feb. 7—In Brazzaville, 10 men found guilty of assassinating President Marien Ngouabi in March, 1977, are executed by firing squad.

## COSTA RICA

Feb. 6—Rodrigo Carazo, leader of the opposition coalition Unity, wins the presidential election, succeeding President Daniel Oduber Quirós. According to the constitution, Oduber could not seek another term.

## CUBA

(See *Ethiopia*; *U.S.*, *Foreign Policy*)

## CYPRUS

(See *Intl. Terrorism*; *Egypt*)

## EGYPT

(See also *Intl. Terrorism*, *Middle East*; *U.S.*, *Foreign Policy*)

Feb. 3—President Anwar Sadat arrives in Washington, D.C., for talks with U.S. President Jimmy Carter.

In Cairo, the Wafd party, outlawed since the 1952 assassination of King Farouk, is granted legal recognition.

Feb. 9—Following talks in London with British Prime Minister James Callaghan, President Sadat arrives in Hamburg, West Germany, for talks with German Chancellor Helmut Schmidt on the issue of a separate Palestinian state.

Feb. 11—In Salzburg, Austria, Sadat meets with Israeli Labor party leader Shimon Peres for "private" talks.

Feb. 13—Following talks in the Vatican with Pope Paul VI, Sadat returns to Cairo. In the last 12 days, Sadat visited 8 nations in an attempt to gain support for the Egyptian position in the Middle East.

Feb. 22—Following funeral services for 15 Egyptian commandos killed at Nicosia airport, President Sadat breaks diplomatic relations with Cyprus.

Feb. 27—In Parliament, Prime Minister Mamdouh Salem announces the withdrawal of preferential privileges for Palestinians living in Egypt.

## ETHIOPIA

(See also *U.S.*, *Foreign Policy*)

Feb. 4—In Mogadishu, Somalia, Somali Minister of Information and National Guidance Abdi Kasim Salad reports that Soviet-backed Ethiopian, Cuban and Southern Yemeni forces have begun a 2-pronged attack in the Ogaden region.

Feb. 14—In Addis Ababa, Ethiopian leader Lieutenant Colonel Mengistu Haile Mariam accuses the United States of giving Somalia political and material support.

Feb. 17—Western sources in Addis Ababa report that Cuban troops in Ethiopia now number about 3,500 and may reach 5,000 by March.

## FINLAND

Feb. 17—Following the Cabinet's decision to devalue the markka by 8 percent, Prime Minister Kalevi Sorsa submits his resignation to President Urho Kekkonen. Kekkonen asks Sorsa to form a caretaker government.

## FRANCE

(See *Canada*)

## GERMANY, WEST

(See also *Egypt*)

Feb. 1—Following the disclosure a month ago of East German infiltration in the defense ministry, Defense Minister Georg Leber resigns.

Feb. 3—Chancellor Helmut Schmidt appoints Finance Minister Hans Apel as Defense Minister and Hans Matthöfer, Minister for Scientific Research and Technology, as Finance Minister.

## INDIA

Feb. 25—Elections for state legislatures are held in the states of Haharahtra, Andhra Pradesh, Karnataka, Meghalaya and Assam and in the territory of Arunachal.

Officials announce that India will give Vietnam a \$50-million credit for postwar reconstruction.

Feb. 28—Election returns give Indira Gandhi's newly formed political party, Congress-I, a majority of seats in the state assemblies of Andhra Pradesh and Karnataka.

Brahmananda Reddy, president of the regular Congress party, resigns as party president.

Finance Minister H. M. Patel submits the government's budget to Parliament; the budget calls for an increase of \$1.4 billion for agricultural development.

## IRAN

Feb. 21—In Tabriz, army troops are called in to quell the anti-government rioting that began February 18.

## ISRAEL

(See also *Intl, Middle East; Egypt; U.S. Foreign Policy*)

Feb. 2—In Tel Aviv, Labor party officials criticize Prime Minister Menahem Begin's policy on settlements in the West Bank of the Jordan River.

Feb. 9—Finance Minister Simha Ehrlich makes an official visit to South Africa, the first by an Israeli Cabinet official.

Feb. 13—A Defense Ministry spokesman says that the construction of new Israeli settlements in the Sinai was brought to a temporary halt before Defense Minister Ezer Weizman went to Cairo on January 31.

Feb. 20—The Cabinet begins private debate on Israeli settlements in occupied Arab lands.

## ITALY

Feb. 7—The Communist party agrees to consider a proposal of Prime Minister-designate Giulio Andreotti's to give the Communists a greater voice

in policy decisions without actually giving them a Cabinet post.

Feb. 17—The Communist party rejects Andreotti's proposal but indicates a willingness to continue negotiations.

## JAPAN

Feb. 16—In Peking, representatives of the Chinese government and Japanese industrialists sign an 8-year, \$20-billion trade agreement. Under the agreement, Japan will sell China between \$7-billion and \$8-billion worth of technology and plants; in return, China will sell Japan oil and other fuels.

## KOREA, SOUTH

(See *U.S., Political Scandal*)

## LAOS

(See *Vietnam*)

## LEBANON

Feb. 9—In Beirut, fighting continues for the 3d day between Syrian peacekeeping troops and Lebanese Christians; this is the 1st serious conflict since the cease-fire went into effect 15 months ago.

Feb. 12—The Lebanese radio reports that calm has been restored after yesterday's meeting between Lebanese President Elias Sarkis and Syrian Foreign Minister Abdel Halim Khaddam.

Feb. 14—Parliament votes unanimously to establish a joint Syrian-Lebanese military tribunal to try those involved in last week's fighting.

## LIBYA

(See *Chad*)

## NAMIBIA

Feb. 11—In the United Nations, high-level talks with foreign ministers from France, the United Kingdom, Canada, West Germany, and the United States begin on the future of Namibia (South-West Africa).

Feb. 13—Sam Nujoma, president of the South-West Africa People's Organization, agrees to a proposal made by the foreign ministers meeting in the U.N. to allow South Africa to maintain troops in Namibia until U.N.-supervised elections can be held.

## NEPAL

(See *China*)

## NICARAGUA

Feb. 3—The nationwide strike by business and labor leaders to protest the regime of President Anastasio Somoza Debayle continues into its 2d week.

Feb. 27—After President Somoza's announcement yesterday that he will continue as President until 1981, demonstrators clash with police in Managua; government troops cordon off the opposition stronghold towns of Diriamba and Masaya. 10 people are reported killed and hundreds are arrested.

## PAKISTAN

Feb. 2—The military government charges former Prime Minister Zulfikar Ali Bhutto with foreign exchange law violations; in addition, Bhutto is facing charges of criminal and financial wrongdoing.

## PARAGUAY

Feb. 16—Election officials report that in the February 12 general election President Alfredo Stroessner's ruling Colorado party won 89.6 percent of the vote.

## PERU

Feb. 1—It is reported that on January 1, 1978, General Oscar Molina Pallochía, former Minister of War, replaced General Guillermo Arbúlu Galliani as Prime Minister.

## PHILIPPINES

Feb. 1—President Ferdinand E. Marcos forms a new political party, the New Society Movement, in preparation for the April 2 legislative elections.

Feb. 16—The opposition Liberal party announces that it will take part in the upcoming election and that the imprisoned Liberal party leader, former Senator Benigno S. Aquino, Jr., will head the slate of candidates.

## RHODESIA

Feb. 15—In Salisbury, Prime Minister Ian D. Smith and 3 black nationalist leaders, Bishop Abel Muzorewa, Senator Jeremiah Chirau and Dr. Elliott Bagellah, reach agreement on the projected composition of the National Assembly. Of the 100 seats in the National Assembly, 72 seats will be reserved for blacks and 28 seats for whites. The agreement is to last either for 10 years or for 2 parliamentary sessions. Members of the Rhodesian Patriotic Front, operating outside the country, did not take part in the talks.

Feb. 16—An additional agreement is reached by Smith and black leaders on the future of the armed forces. The agreement provides for retraining guerrillas for entry into the army or for vocational training opportunities, and for the declaration of a general amnesty.

Feb. 21—Talks between black nationalist leaders and Smith reach an impasse over the composition of the transition government.

Feb. 27—Following a meeting in Maputo, Mozambique, between Joshua Nkomo and Robert Mugabe, co-leaders of the Patriotic Front guerrilla alliance, Nkomo announces plans for the "immediate intensification" of the guerrilla war against the Smith regime and the constitutionalists.

## ROMANIA

(See *Intl, Middle East*)

## SAUDI ARABIA

(See *U.S., Foreign Policy*)

## SENEGAL

Feb. 27—Election returns give President Leopold Sedar Senghor a 74 percent lead over his opponent, Abdoulaye Wade. This is the 1st multi-party election held in 12 years.

## SOMALIA

(See *Ethiopia; U.S., Foreign Policy*)

## SOUTH AFRICA

(See *Israel*)

## SRI LANKA

Feb. 3—Prime Minister J. R. Jayewardene is sworn in as President. The country is officially adopting the French presidential system of government.

## SYRIA

(See also *Intl, Middle East; Lebanon; U.S.S.R.*)

Feb. 9—President Hafez al-Assad receives an overwhelming vote of confidence in the presidential referendum held yesterday.

## THAILAND

(See *Cambodia, Vietnam*)

## U.S.S.R.

(See also *Canada; Ethiopia; U.S., Foreign Policy*)

Feb. 7—In Washington, D.C., U.S. Admiral James L. Holloway says it is possible that the Soviet Union has launched a 20,000-ton nuclear-powered warship.

Feb. 21—Syrian President Hafez al-Assad arrives in Moscow for 2 days of talks with Soviet President Leonid I. Brezhnev.

## UNITED KINGDOM

### Great Britain

(See also *Rhodesia*)

Feb. 7—In the House of Commons, a Conservative party challenge to the government's wage guidelines is defeated by 14 votes.

Feb. 8—The coal miners' union drops its demand for a 90 percent wage increase and agrees to limit raises to a maximum of 10 percent.



Feb. 17—It is reported that the annual rate of inflation for the month of January, 1978, dropped to 9.9 percent, the lowest since October, 1973.

Feb. 22—The House of Commons votes 297 to 257 to grant Scotland limited home rule.

Feb. 25—Scotland Yard deploys 5,000 police in a single parliamentary constituency in a London suburb to prevent racial violence during an election campaign.

## UNITED STATES

### Administration

Feb. 15—The Environmental Protection Agency issues a list restricting 2,000 potentially hazardous chemicals to keep the chemicals out of the hands of untrained users.

### Civil Rights

Feb. 13—The Commission on Civil Rights issues a 129-page report on civil rights efforts in 1977; the panel reports that minorities and women lag in economic gains.

Feb. 23—President Carter sends a proposal to Congress designed to consolidate federal programs that fight job discrimination, calling his proposal "the single most important action to improve civil rights in the last decade." Under this plan, most enforcement powers would be held by the Equal Employment Opportunity Commission; Congress has 60 days to veto the measure.

### Economy

Feb. 3—The Labor Department reports that the unemployment rate in January was 6.3 percent, the lowest figure since 1974.

Feb. 28—The Commerce Department reports a 1.9 percent decline in the index of leading economic indicators for January, 1978.

### Foreign Policy

(See also *Intl. Middle East; Ethiopia; Vietnam*)

Feb. 1—President Jimmy Carter addresses a national television audience from the White House; he asks the American people to support the ratification of the Panama Canal treaties.

Feb. 4—State Department officials report that Cuban pilots are conducting air strikes against Somalia from Ethiopian bases.

Feb. 5—President Carter and Egyptian President Sadat return to Washington, D.C., after 2 days of talks at Camp David, Md.; they agree to make "unremitting efforts" to restart the peace negotiations in the Middle East.

Feb. 8—President Carter and Egyptian President Sadat conclude their talks in Washington, D.C.; President Carter calls Sadat "the world's foremost peacemaker."

Feb. 10—At a news conference in Washington, D.C., Secretary of State Cyrus Vance says that the U.S. has received assurances from the Soviet Union that Ethiopia will stop at the Somali border if she succeeds in driving Somali troops from the Ogaden region of Ethiopia; the Ethiopians are receiving large-scale military aid from the Soviet Union and Cuba.

At a news conference in Washington, D.C., Secretary of State Cyrus Vance says that Israel must be prepared to give up her Sinai settlements and the West Bank of the Jordan if peace is to be achieved; Egypt must also be prepared to make concessions.

Feb. 12—Secretary of the Treasury J. Michael Blumenthal arrives in Paris for talks with the finance ministers of France, West Germany, Britain and Japan on the state of the world economy.

Feb. 13—According to intelligence sources, Soviet air force units are flying in Cuba's air defense system.

Feb. 14—White House officials announce the President's approval of the sale of \$4.8-billion worth of advanced military planes to Egypt, Saudi Arabia and Israel, in a move designed to maintain the military balance in the Middle East. Congress can block the arms transaction within 30 days.

Feb. 16—In Washington, D.C., President Carter and Secretary of State Vance confer with Israeli Foreign Minister Moshe Dayan.

Feb. 20—The State Department announces that Alfred Atherton, Jr., will be appointed Ambassador at Large with responsibility for Middle East peace negotiations.

Feb. 24—National Security Adviser Zbigniew Brzezinski says that a Soviet General Petrov is "providing direction" for the Ethiopian military in the Ogaden region of Ethiopia.

Feb. 25—A State Department statement, issued today, says that Soviet actions in the Horn of Africa may damage U.S.-Soviet relations.

Feb. 28—A White House report on Soviet-U.S. compliance with the 1972 strategic arms limitation treaty says that although U.S.S.R. has behaved in an "ambiguous" way it has not violated the accord.

### Labor and Industry

Feb. 1—The Department of Labor files suit in U.S. district court in Chicago to force the International Brotherhood of Teamsters and 19 of its officers to repay losses to their pension funds resulting from allegedly unwise loans made by 3 of its major divisions.

Feb. 11—President Carter declares an energy emergency in Ohio because of the 68-day nationwide coal strike; he orders federal officials to prepare plans for the shipment of coal to needy areas.

Feb. 12—The United Mine Workers bargaining council votes 30 to 6 to reject a new contract proposed by UMW president Arnold Miller; the miners have been on strike for 69 days.

Feb. 13—Indiana and West Virginia order mandatory cutbacks in electrical use as the coal strike continues.

Feb. 14—President Jimmy Carter asks miners and the coal industry to resume negotiations to end the strike.

Feb. 15—The Consolidated Rail Corporation submits a 5-year plan to its federal oversight agency asking Congress to provide \$1.3 billion in additional funds over the next five years.

Feb. 20—The Pittsburgh and Midway Coal Company and the UMW reach a tentative agreement to end the strike by coal miners; it is hoped that the agreement will set a pattern for acceptance by industry and miners.

Feb. 21—The Bituminous Coal Operators Association refuses to accept yesterday's agreement as a model for the industry.

Feb. 24—President Carter announces a proposal for a "voluntary settlement" of the 81-day coal strike; he urges miners to accept the terms of the agreement, already accepted by the coal industry.

Feb. 25—UMW leaders open a 10-day campaign to persuade miners to accept the 3-year agreement proposed by President Jimmy Carter.

Feb. 27—Research officials of the British United Kingdom Atomic Energy Authority and California's Electric Power Research Institute announce the development of a new nuclear fuel recycling system, the Civex process, that would avoid the purification of plutonium into weapons-grade material.

## Legislation

(See also *Civil Rights*)

Feb. 1—The Senate votes 58 to 37 to prevent the use of \$462 million in unspent funds for the B-1 bomber.

Feb. 7—The Senate opens its debate on the Panama Canal treaties.

Feb. 8—President Jimmy Carter proposes a Middle Income College Assistance Act to Congress; the act would make federal scholarships and subsidies available to students from families with annual incomes of between \$16,000 and \$25,000; it would also increase federal aid for those with lower incomes.

Feb. 22—The House votes 234 to 182 to withhold \$462 million in unspent funds from the B-1 bomber program.

At a White House news conference, Vice President Walter Mondale releases details of proposed legislation that would extend the federal job train-

ing and public service employment programs for another 4 years.

Feb. 27—President Carter signs a \$6.1-billion energy research act; the controversial Clinch River, Tennessee, breeder project is funded for \$80 million in the act.

Feb. 28—President Carter outlines a proposal to increase federal funds for education by 24 percent, or \$12.9 billion for fiscal year 1979. \$6.9 billion is to go for elementary and secondary education, \$5.2 billion for higher education, and the rest for special programs.

## Military

Feb. 1—In a statement released by the White House, President Carter says that arms sales agreements for fiscal 1978 will total \$8.6 billion to nonallied countries; the total of all sales will amount to more than \$13 billion.

Feb. 2—In his annual report to the House Armed Services Committee, Defense Secretary Harold Brown presents a tentative 5-year defense budget, including \$116.8 billion for fiscal 1979 and rising to \$172.7 billion by 1983 to keep pace with the Soviet Union.

Feb. 20—Defense Secretary Harold Brown says that the U.S. will strengthen its strategic forces in Asia because of growing Soviet strength.

## Political Scandal

Feb. 8—The House Ethics Committee (the Committee on Standards of Official Conduct) is investigating Daniel Flood and Joshua Eilberg, Democratic representatives from Pennsylvania, on an "informal basis."

Feb. 22—South Korean businessman Tongsun Park arrives in the United States to testify in congressional hearings.

## Supreme Court

Feb. 21—The Supreme Court refuses to hear challenges from Long Island special interest groups to the sale of offshore oil leases.

## VIETNAM

(See also *Cambodia*)

Feb. 3—In Washington, D.C., U.S. Secretary of State Cyrus Vance requests Vietnam's chief delegate to the U.N., Dinh Ba Thi, to leave the U.S. because of his alleged complicity in an espionage case in December, 1977.

Dinh Ba Thi refuses to leave.

Feb. 6—The Vietnamese government orders Thi to return to Vietnam.

Feb. 25—The Vietnam press agency reports that, after a 3-day meeting in Hanoi, Vietnam, Laos and Thailand have agreed to joint development of the Mekong River. ■



# Available From Current History

Academic Year 1978-1979

- |   |   |
|---|---|
| <input type="checkbox"/> The World Energy Crisis (3/78)                   | <input type="checkbox"/> Southeast Asia (12/78)       |
| <input type="checkbox"/> America's Energy Resources: An Overview (5-6/78) | <input type="checkbox"/> The Middle East, 1979 (1/79) |
| <input type="checkbox"/> America's Energy Policy Tomorrow (7-8/78)        | <input type="checkbox"/> Latin America, 1979 (2/79)   |
| <input type="checkbox"/> The People's Republic of China, 1978 (9/78)      | <input type="checkbox"/> Africa, 1979 (3/79)          |
| <input type="checkbox"/> The Soviet Union, 1978 (10/78)                   | <input type="checkbox"/> India and South Asia (4/79)  |
| <input type="checkbox"/> Japan (11/78)                                    |   |

## Still Available

### AREA STUDIES

- ☐ East Europe, 1978 (4/78)
- ☐ Latin America, 1978 (2/78)
- ☐ The Middle East, 1978 (1/78)
- ☐ Africa, 1977 (12/77)
- ☐ West Europe, 1977 (11/77)
- ☐ The Soviet Union, 1977 (10/77)
- ☐ The People's Republic of China, 1977 (9/77)
- ☐ Canada, 1977 (4/77)
- ☐ Mexico, 1977 (3/77)
- ☐ Latin America, 1977 (2/77)
- ☐ The Middle East, 1977 (1/77)

- ☐ Southeast Asia, 1976 (12/76)
- ☐ Africa, 1976 (11/76)
- ☐ Scandinavia and the Low Countries (4/76)

### AMERICAN ISSUES

- ☐ Improving Health Care in America (7-8/77)
- ☐ Health Care in America: An Overview (5-6/77)
- ☐ Reforming the Criminal Justice System (7-8/76)
- ☐ Criminal Justice in America (6/76)
- ☐ Women in America (5/76)
- ☐ The American Economy (11/75)
- ☐ The American Indian (12/74)
- ☐ Changing Black America (11/74)

## CURRENT HISTORY BINDER

A sturdy, hard-cover binder at a reasonable cost will protect *Current History* for permanent reference. Each issue can be placed in the binder every month. The easy-to-use binder holds 12 issues securely in place over flexible steel rods.

**ONE-YEAR SUBSCRIPTION:** \$14.50. **TWO-YEAR SUBSCRIPTION:** \$28.50.

**EIGHT-MONTH SUBSCRIPTION:** \$11.60.

**SPECIFIC ISSUE PRICE:** \$1.75 per copy; 10 or more copies of the same issue, \$1.25.  
Copies more than two years old, \$2.00 per copy.

**EIGHT-MONTH BULK SUBSCRIPTIONS FOR CLASS USE:** for 10 or more subscriptions mailed to the same address, \$9.95 each.

**BINDER PRICE:** \$4.95.

---

CURRENT HISTORY • 4225 Main Street • Philadelphia, Pa. 19127

**SPECIAL SUBSCRIPTION OFFER: your choice of 3 free issues.**

- ☐ 1 year \$14.50, plus 3 free issues marked above.
- ☐ 2 years \$28.50, plus 3 free issues marked above.
- ☐ Please send me the issues I have indicated above in the quantities I have marked.
- ☐ Send me ..... 8-month subscriptions.

### CURRENT HISTORY BINDER

- ☐ Current History Binders  
at \$4.95 each.

Name .....

Address .....

City ..... State ..... Zip Code.....

- ☐ Check enclosed. ☐ Bill me. Add \$1.00 per year for Canada; \$1.50 per year for foreign.

All these offers are good only on orders mailed directly to the publisher.

Specific issue price and bulk subscriptions based on a single mailing address for all issues ordered.